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The Nation's Business

War Labor Policy Stands in Peril

Canada's wartime labor policy has received rather widespread approval from all classes of the public. It establishes sound general principles to be followed where possible.

Briefly that policy provides:

1. Wages not above the 1926-1929 level (a level higher in most fields than the wages prevailing at the beginning of the war).
2. Cost-of-living bonuses where possible to workers to cover increases in the expense of maintaining families.
3. Control of prices, rents, etc., to keep the cost of living from rising too rapidly.
4. Extension of "conciliation" plans to all war industries in order to reduce strikes.
5. No wage increases to cover war taxes or war savings.

The policy is one that is fair to employers and workers alike. The cost-of-living bonus cannot be paid by industries that have suffered from the war but it has been applied, by mutual consent, in a number of cases. It was drafted in co-operation with labor leaders. From the start it held promise of keeping Canadian war production free from the interruptions of strikes and lockouts.

* * *

The wartime labor policy of Canada is in danger of being sabotaged, first because a group of labor racketeers, responsible to foreign bosses, are determined to use the war emergency to unionize plants and build up their own personal power; and, secondly, because the Dominion Government is showing signs of "appeasing" this group instead of administering the labor policy with courage and even-handed justice.

Last week Ottawa "cracked down" on a company that defied an interim report of a conciliation board. In some cases where labor defied the wartime labor policy Ottawa has sidestepped action.

When National Steel Car declined to accept the recommendations of a three-man board, appointed to deal with a dispute, Ottawa gave it a curt order to accept. The company, not too wisely, continued in its stand and Ottawa put in a "controller." Ottawa's view was that no work stoppages should be allowed to slow up war production.

But when workers in an Oshawa plant broke the law, by walking out without first seeking a conciliation board, they stayed on strike illegally for 10 days with no "crack-down" by Ottawa.

This has led to the fear that Ottawa has a double labor policy: one of enforcing compliance on employers and of permitting labor unions, where they so desire, to defy the public.

* * *

There are two or three angles in respect to the current labor "unrest" in Canada that should be kept in mind. They help to put certain of the troubles in focus.

In the first place, Canada's wartime labor policy is not a decree imposed upon employers and workers, but a programme arrived at by consultation between government officials and representatives of industry and labor. It has been approved by spokesmen for all of these three groups.

In the second place, practically all of the disputes that have taken place have resulted from the operations of a small group of professional operators taking their instructions from their bosses in a country that is not at war, bosses who have been responsible for the labor tie-ups across the line that have seriously hampered the fight to save Democracy.

In the third place, most contracts placed for war supplies are on a basis of present wages. If there is a rise in wage costs in defense production the additional cost will be borne directly by the taxpayers of Canada whose ability to finance an all-out war effort will be to that degree imperilled.

Where there is an increase in wage costs in non-war industries the burden will rest more heavily upon those groups that have been unable to maintain their income in wartime, much less increase it. Most notable of these groups is Canada's vast farming population.

In the fourth place there have been virtually no protests against hours of work, wages or working conditions in Canadian plants. Almost without exception the labor disputes have been contrived for the purpose of building up the power of a small minority group of union organizers. In many cases workers have been forced into work stoppages with which they are entirely unsympathetic.

Consideration of these facts is important in any honest appraisal of the wartime labor situation in Canada.

* * *

There really is no evidence that labor in Canada has any desire to hinder the war effort or to exploit the emergency. Most war workers are appreciative of the higher incomes they are enjoying and they are willingly paying their increased taxes and buying war savings certificates.

It is unfortunate that a few leaders of the gangster type should be able to create diversions that put Canada's traditionally conservative labor leaders and workers in a position where their motives and actions may be misunderstood and misinterpreted.

Why Ottawa should be frightened into inaction by the rough tactics of a minority of labor leaders, and thus into betrayal of the wartime labor policy that is supported by the majority of labor leaders in Canada, is difficult to understand. The Minister responsible, Mr. McLarty, and the Prime Minister ought to wake up to what public opinion really thinks about the matter.

* * *

QUEBEC IS NO "FIFTH COLUMN"

Support of French Canada for war has been the subject of much ignorant comment in the United States.

None, however, has reached the gravity of charges laid this week in "Life" magazine.

"Life" declares:

> ". . . . Yet the timid, unimaginative Mackenzie King Government continues to be blackmailed by the crudely pro-axis French Canadian minority (an ideal Nazi Fifth Column) . . . Ottawa's job is to declare independence from the axis transmission belt in French Quebec."

Two Quebec leaders, Premier Adelard Godbout and His Eminence Cardinal Villeneuve, have presented another — and more accurate—French-Canadian viewpoint.

Public pronouncements of these leaders of religious and political thought leave little room for doubting the position of French Canadians in the war.

Cardinal Villeneuve stated at Quebec City last year:

> "As a persecuting and sacrilegious potentate, murderer of women and children, Hitler represents the felony and the very organization of evil. His adversaries and victims represent patriotism and right."

Premier Godbout has gone on record:

> "We are accomplishing our duty, our full duty in close formation with the other provinces and the central government. We are conscious of being among those who work with fervor, constancy and practical sense for the realization of the ideal of Canadian national unity."

The words are hardly the words of leaders of a potential Nazi fifth column.

"Life" has done a loyal and patriotic people of the Empire grave injustice.

The charges in "Life" prompted Mr. Godbout to reply:

> "To suspect them (French-Canadians) of disloyalty and conspiracy against the British Empire, the Crown or the Allied cause, is to ignore their sacrifices in the past and in the present war."

Hon. Maurice Duplessis associated himself with this protest.

C.P.R. Head Sees Good Year in '41

Freight and Passenger Traffic Promises Continued Increase — Net Up in Quarter

From Our Own Correspondent

MONTREAL. — Gross earnings of Canadian Pacific Railway Co. in the latter part of this year are likely to compare less favorably with 1940 than so far in 1941, shareholders were told at the annual meeting by Sir Edward Beatty, chairman and president.

Sir Edward reported gain of 27% in gross earnings for the first quarter of 1941 and of $3.2 millions in net earnings. Rate of increase, he states, has been greater on eastern than on western lines.

Increased working expenses are expected with the higher volume of traffic. Depreciation, now being set aside on the basis of use, will grow directly with increases in locomotive and car mileage.

Expects Higher Net

In spite of these factors, Sir Edward expects that "in the immediate future at least a moderate proportion of the increase in gross earnings will be converted into net earnings."

He makes no prediction as to "other income," suggesting that unfavorable factors may predominate. Four of the company's boats were lost last year by enemy action, removing substantial tonnage from the fleet and reducing its earning power. Since the first of this year two more boats have been lost.

Outlook for a possible dividend on the common is not at all clear. The company has to meet maturities of fixed obligations to the amount of $114 millions before the end of 1946 and feels it expedient to retain a substantial cash balance for this purpose.

Oppose Wage Bonus

The railway companies feel that "employees' basic standard of living has not been impaired and that there is no warrant under existing conditions for the payment of a cost-of-living bonus," according to Sir Edward.

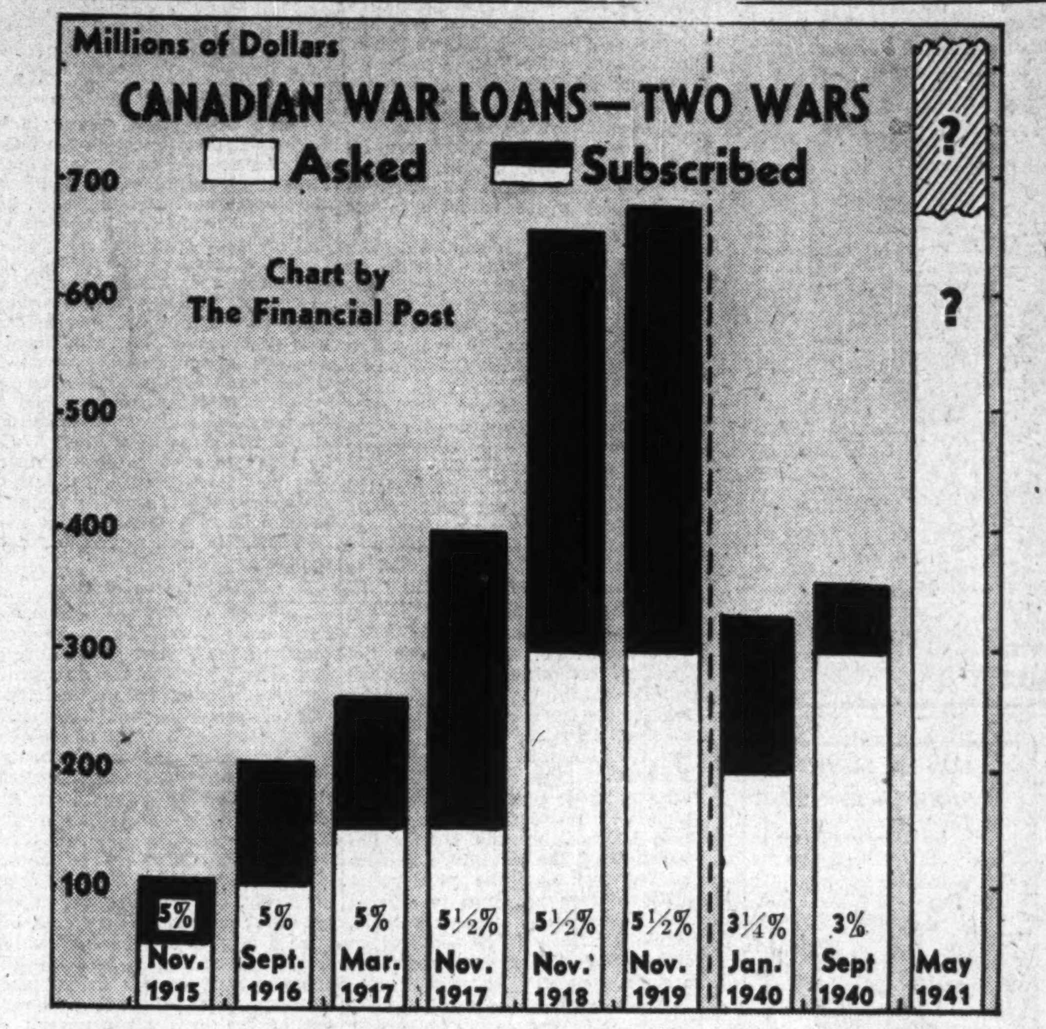
Railway employees have requested a board of conciliation to deal with their application for a cost-of-living bonus and proceedings are now pending.

Freight earnings last year were the best since 1929, while passenger earnings surpassed those of any year since 1930. From the standpoint of volume, total traffic handled last year exceeded that of 1930.

On the other hand, freight revenue per ton mile last year at 0.84 cents was the lowest since 1918. Revenue per passenger mile of 1.97 cents was the lowest since 1916. Had earnings per freight and passenger unit in 1940 been the same as in 1926, the company would have obtained about $35 millions in additional revenue.

Confident on Wheat

Sir Edward expects a temporary reduction in earnings from grain and grain products to last as long as the war continues its present course. He considers it unlikely that normal quantities of grain will be exported.



"LET'S FINISH THE JOB!"

Twice the largest amount asked by the Dominion in the Victory Loans of the Great War is the minimum objective set for Victory Loan 1941. Organization for the loan gets up steam this week with the start of advance publicity for offering the loan on June 2. Built on the lines of the 1918 Victory Loan organization, which asked for $300 millions, got $660 millions, the 1941 loan will be sold by the pooled efforts of leading investment dealers and bankers across Canada. Like the 1918 loan, bonds as low as $50 will likely be offered. On May 24, a bronze "Freedom Torch" will be dedicated at Victoria, sent on its way across Canada to Winston Churchill in an R.C.A.F. bomber under escort of the Canadian armed forces. The Torch will be rededicated in public ceremonies in 27 cities on its way across Canada.

Urge Impartial Labor Policy

When Does Ottawa Seize War Plants, Business Asks?

Growing disquiet of business over recent events in the wartime labor field has now sharply crystallized.

Check of opinion among leading industrial executives indicates a rising fear that increasing disturbance on the labor front may jeopardize the relatively stable industrial relations so far in the war—and with this the unimpeded flow of war supply output.

Coupled with concern over labor bids to shake off the wartime curbs on strikes, wage spirals and disruptive unionizing drives, is an insistent demand for a more decisive, firmly administered Government policy on wartime labor problems.

Intimation of employers' belief in the need for a strong, clear cut stand by the Government, is understood to have already been pungently conveyed to Ottawa by representative spokesmen.

Is Brought To a Head

The situation appears to have been brought to an immediate head largely, though by no means solely, by the Government's summary action in taking control of the National Steel Car Corp. main plant at Hamilton. The Government stepped in arbitrarily to end the steelworkers' union strike that had hobbled war supply production there, when the company refused to accept the majority recommendation of an interim report by a conciliation board.

Without precedent and without warning, the Government's sudden action startled business throughout the country, especially because of its broad implications. It has precipitated a number of questions bearing on the future of wartime state control over employer-worker relations within industry, and particularly the position of the employer under that policy.

Many Answers Needed

Employers this week were earnestly seeking specific, conclusive answers beyond the elastic generalizations that had hitherto come from Government Ministers. Among the moot points which industry would like to have clarified with some degree of finality are these:

1. Does the Government intend to enforce its own conception of desirable industrial relations and in particular the advice of conciliation boards, acceptance of which hitherto has been — and legally still is—entirely optional?

2. If the previously optional advice of Government and the finding of conciliation boards are to be made compulsory, are they to be applied with impartial rigor against both employers and labor?

3. Do employers who fail to bow to peremptory pressure to comply with such a policy, face clapping of state control over their plants as was applied to National Steel Car Corp.? If so, what similar control — if any — would be exerted to compel compliance by labor?

4. If Ottawa does not intend to rely on compulsion in place of the policy of persuasion and guidance hitherto followed, what special circumstances of the National Steel Car case impelled the Government to grasp operating control of the plant to enforce settlement of a

(Continued on page 5, col. 5)

The War And Business . . A Weekly Round-up

Quarter Million in Forces

Canada has now enlisted for active service on land, in the air and on the sea approximately a quarter of a million men, Defense Minister Ralston told an international audience of Rotarians in Toronto this week.

The navy, he said, had grown from 2,000 men at the beginning of the war to 17,000 at present and would shortly be stepped up to 25,000 as new boats became available. Nearly 60 mobilization and training camps were operating throughout the Dominion for the army and 81 establishments for the Air Training Plan. The latter figure will soon be raised to over 100. This year Canada is pledged to put another division of troops into Great Britain and in addition will send over a tank brigade and a special armored division.

Breakdown of the numbers of men enlisted for active service to date is as follows:

Army:	
In U. K.	70,000
In Canada*	120,000
Navy	17,000
Air Force	50,000

*Exclusive of reserve or home defense units.

* * *

Big War Sales Start

U. S.-Canadian conversations on sale of war equipment by this country to the United States are proceeding satisfactorily, Ottawa reports. Orders have already been placed in Canada for some tens of millions of war materials of which this country has a potential surplus capacity. Some $300 millions is mentioned as the figure total orders are likely to reach and will include explosives and certain types of guns.

The sales of munitions to the United States are likely to bring about an increase in Canada's total munitions programme. In other words, Canada is not merely diverting some of her own production across the line, but will increase output to cover the transfer.

It is also certain that substantial quantities of the material bought by the United States from Canada will find their way to Britain. In short, where Canadian production is ahead of U. S. plants, Canada will be used by the U. S. to fulfill some of its lease-lend promises to U. K.

* * *

Canada's War Income

Canada's real money income for the current year is now estimated at $5,111 millions or slightly higher than for the boom year of 1928. It is also 10% above 1940.

Such a gain should substantially lighten the burden of the new greatly increased taxation. Major factor in the increase is described by the Dominion Bureau of Statistics as due to the "accelerating influence of participation in the war."

* * *

U. S. Stopgap

Extension of the American navy patrol far out into the Atlantic is considered only a feeble stopgap for what is to come. Under present patrol, roving German subs and planes are merely spotted and reported to U. S. naval authorities. The British listen in on these reports, which are in simple code, and then act as they deem best.

To replace this system very shortly, it is expected, will be joint action by the British and American navies to clear a safe path across the Atlantic and keep it clear. Hostile craft will not only be spotted but presumably they will be attacked.

* * *

Butter or Guns

If United States production is to be a decisive factor in victory, it is necessary that the present U. S. programme be completely reoriented, one of the best informed men in that country said to The Financial Post in New York this week.

His argument: "At the present time the United States is trying to enjoy an armament boom superimposed on a boom in civilian expenditures. To protect civilian buying, it is building new plants by the hundred to make war supplies. But the very building of these plants uses up steel and labour that are vitally needed for making munitions.

"There is only one way to ensure defeat for Hitler in his 1941 campaign. That is to adopt the policies that will bring about a radical reduction in the American standard of living at once in order that the existing factories can be turned over to the production of war supplies.

"If we wait for new factories to be built it may be too late. But if we go at war production seriously we can, in from three to six months, produce enough of the sinews of war to ensure Hitler's defeat."

* * *

U. S. Gets Bolder

Senator Claude Pepper is believed in some quarters to be a sort of advanced spokesman for the administration at Washington. In other words what the senator from Florida may propose today may be interpreted as indicating the official policy some weeks hence. Not long ago, it will be recalled, Senator Pepper proposed some sort of a war tie-up between the Canadian and American dollar. This suggestion has not been implemented yet, but shortly after Pepper's proposal came the Hyde Park declaration. The latter is expected to ease greatly Canada's pressing problem of securing more American dollars

Now Senator Pepper has suggested much more aggressive political action on the part of the United States. He would have the American Government take over the Spanish and Portuguese eastern Atlantic Islands, and also France's African stronghold of Dakar. The latter is only 1,700 miles from the coast of South America.

Even this belligerent speech was not much stronger than the assertion of Secretary of War Stimson this week. Mr. Stimson urged the immediate use of the American navy "to make the seas secure for the immediate delivery of munitions to Britain."

War Enders

Five hundred, four-engined heavy bombers per month is the new objective set for American aircraft production, according to word from Washington this week. It is reported that this is the recommendation of Major-General H. H. Arnold, U.S. air chief recently back from Britain.

To produce such volume would mean stepping up present production something like ten times. Such a feat, however, is believed not so difficult as it seems once complete tooling of huge plants now under construction is completed.

Practically all these ships would go to Britain, to be manned largely by new Canadian graduates of the Air Training Plan. The supply would permit the British to maintain a continuous and devastating air offensive against the Reich.

Expert military opinion in the United States is leaning more to the view that only through such kind of punishment and not necessarily confined rigidly to military objects, can the war be brought to a fairly early termination.

* * *

Churchill's Right Bower

The elevation of Lord Beaverbrook from the Ministry of Aircraft Production to the new position of Minister of State is everywhere hailed as a move to get the dynamic little publisher into the post of "Deputy Prime Minister" and chief assistant of Churchill.

There may be more to the story than that. The Financial Post got good reports some months ago that there was not complete satisfaction in Britain over Beaverbrook's work in producing planes, that he would soon be out of that job, The Post was told.

Thus the new Beaverbrook appointment has a double purpose: to get bigger results in aircraft production and at the same time continue to use Beaverbrook's hold on the people, his inspirational force and his instinct for propaganda.

Limit State Control Over Steel Plant

Government Sway Over National Steel Car Corp. Operations Restricted to Dictating Labor Policy and Settlement of Dispute

State control over operations of the National Steel Car Corp. main plant at Hamilton has been limited, as far as can be learned, to the sphere of labor policy which led to the Government's drastic action. The Government installed a controller at the plant last week to end a strike of a number of workers, after company refusal to rehire a discharged employee on recommendation of a conciliation board.

Under war emergency powers, the controller is given sweeping authority over operations of the plant by order-in-council. But this appears to have been applied so far only to govern the company's labor relations and solely in the main plant. The controller to date has directed reinstatement of the fired worker, and facilitated a vote by workers this week on whether the Steel Workers Organizing Committee (C.I.O.) is to represent them in negotiations with the company.

Presumably at the instance of Ottawa, the controller's actions apparently are aimed at implementing the interim proposals of the conciliation board. Both the rehiring of the single man and the taking of the vote were advised by a majority of the board, to pave the way for direct negotiations between workers and the company or, failing settlement this way, for further proceedings by the board as a basis for final recommendations.

Temporary Basis?

The overriding power of the controller seems likely to continue concentrated on this phase of the company's policies and operations, probably until the conciliation proceedings have been wound up and what appears to be a lasting settlement of the dispute arrived at. Whether it is to be carried beyond that time or possibly extended as a general operating supervision over the plant, is an open question. But there are no definite indications of such a prospect at the moment.

Up to now any general control has not been exercised, apart from labor problems bearing on the dispute in progress. There has been no regulation of the production, purchasing, accounting, pricing, financing, or other phases of the general operating policies of the company. It may be pointed out in any event the Government has not taken over ownership of the plant but only operating control, and that this applies not to the corporation as a

(Continued on page 2, col. 5)

Take First Step To Refinance Montreal

From Our Own Correspondent

MONTREAL.—First official step toward refinancing of Montreal's debt has been taken with formation of a formal debenture holders' committee. Personnel of the body represents virtually all larger institutional holders. A substantial but undisclosed amount of the city's bonds is held by these organizations.

Both the province and municipal executive committee are reported willing to work with the committee in arriving at a refunding scheme.

No indication has been given as to what plan of readjustment will be evolved, or what concession debenture holders are prepared to make. Inability of the city to meet maturing term obligations indicates a decrease in interest charges might be included in any refinancing scheme.

Province Favors Settlement

Premier Adelard Godbout and Provincial Treasurer Mathewson are said anxious to remove the default, as it affects the province's financial position. The Quebec Government is carrying on a determined campaign to restore its own credit position to former high levels and the effort has borne fruit. In the current year Quebec is looking for an overall surplus, something to which taxpayers have not been treated for many a moon. Hence anything that a financially healthier Montreal could do to aid the province would be welcome.

As now planned the committee will devise a scheme for Montreal, independent of the Montreal area. But it is widely held that the whole Montreal area, its overlapping facilities, town planning, financial problems, etc., will some day have to be the subject of consolidation and rationalization.

The position of Montreal is tied to a large extent to the fortunes of numerous contiguous municipalities. Some urge that an overhaul of all aspects of municipal government should be made before any plan is

(Continued on page 2, col. 4)

New 15% Tax Is Boomerang To Investors

From Our Own Correspondent

OTTAWA.—Raising the non-resident income tax from 5% to 15% in the new Ilsley budget is not expected to have any great immediate effect on foreign investment in Canada. The main reason for this is the fact that since the war there has been little new investment by American citizens in Canada and these people are the ones chiefly affected.

The move has been automatically followed by Washington which has hoisted the corresponding American tax from 5% to 16½%. This is the usual rate applying on income going out of United States. Hitherto, by the special 1936 convention, a 5% reciprocal basis was in effect between Canada and the United States.

Income tax collectors are still waiting for rulings on specific problems respecting the new Canadian tax.

From No Tax to 15%

In the case of Americans receiving income payable in U. S. funds from Canadian sources other than the Dominion Government, the jump will apparently be from no tax at all to 15%.

The old tax did not apply to payments made to U. S. investors where the dividend or interest was payable in U. S. funds. As the new rate applies to this class of payment also, there has been a shift evident in New York markets from provincial, municipal and corporation securities in favor of the still exempt Dominion and Dominion-guaranteed issues traded there. A 3% provincial bond now pays its U. S. holder only 2.55%, and the softening in this type of bond has been clearly defined, despite a number of points about the new taxes which remain to be clarified.

The tax is not to be confused with that paid by Canadians who receive interest in U. S. funds on Canadian investments. This tax has not been raised above the 5% formerly paid, under which the Canadian resident

(Continued on page 2, col. 3)

Abitibi Sale Battle May be Resumed

Possible courses of action in the light of the report and recommendations of the McTague Royal Commission and the subsequent Ontario legislation declaring a moratorium on any further action under the bond mortgage are still being considered by the bondholders' committee for Abitibi Power & Paper Co. of which H. J. Symington, K.C., is chairman, The Financial Post is told.

The committee has more than one course of action open.

It could accept the Moratorium Act and permit the receivership to continue; at least until some other interests came along with a scheme for reorganization duly adopted by junior security holders.

On the other hand, the Symington committee could go ahead with its announced plans for a mortgage sale of the Abitibi undertaking.

This latter course of action, which, it is understood, is favored by the committee, would apparently depend on one factor.

There is current apparently a widely-held opinion that the Moratorium Act already mentioned is ultra vires of the province. Study is being given to this aspect of the question, it is understood, both by the members of the committee and by its regular legal counsel. In addition, this study is understood to have been submitted to outside counsel for an opinion. On the final outcome of this study will probably depend whether or not the committee decides to go ahead and ask the courts to set another sale date.

Need Seven Days' Notice

It will be remembered that application of the Montreal Trust Co. for a new sale, following the abortive attempt to complete a sale in October last, was adjourned in December, subject to renewal at any time on seven days' notice. Thus, in order to start the machinery moving for a new sale it would only be necessary to renew the application already before the court.

The whole legal question is not at all clear as yet. But it appears to be the contention of certain counsel that Ontario has no power to stay an action, such as the move to hold a mortgage sale of the Abitibi undertaking, which is initiated under Dominion legislation. On the other hand, it is evident that the fact Abitibi is an Ontario incorporated company and has by far the greatest proportion of its properties in that province has a bearing on the case.

Another important factor is the question of public relations involved. The committee has an initial responsibility to its depositors who have pledged their support of the plan to hold a judicial sale to the extent of over 88% of all outstanding Abitibi bonds. What the public reaction might be to renewal of the attempt to settle the Abitibi bank-

(Continued on page 4, col. 4)

Socks With a Spring Accent!

For business or dress wear, these English light weight all wool socks add distinction to good grooming. Designed with the new vertical stripe in contrasting and harmonizing colours. And they're full-fashioned, giving you the trim ankle line of a thoroughbred! Sizes 10 to 12 in the group. *(Sketched at left).* EATON Price, pair $2.00

For outdoors, or sportswear, socks must be attractive, trim, and above all—comfortable! Penman's "Coolies"—a heavyweight brogue ankle sock—will fill the bill. All wool in white, wine, blue, green, and sand. Sizes 10½ to 12 in the group. *(Sketched at right),* pair $1.00

Phone TR. 5111 *EATON'S Main Store — Main Floor*

THE T. EATON Co LIMITED
TORONTO CANADA

Toronto-New York Finally Linked by Air Service

This week's opening of the Trans-Canada Airways New York-Toronto run cut about nine hours off train time between the two cities. Toronto and New York were the last two major business capitals of North America to remain unconnected by airline. Now T. C. A. has filled the gap with a service that provides speedy non-stop passenger and mail communication between the two cities.

There will be two flights daily in each direction, one leaving each terminus in the morning and the other leaving in the evening. A Toronto businessman can leave his home after breakfast, spend most of the day and part of the evening in New York and be home the same night. The New York businessman can spend even longer in Toronto, while missing no night's sleep at home.

Planes are Lockheed Lodestars of 14-passenger capacity. Crew consists of pilot, first officer and stewardess. Termini are Malton airport, Toronto, and La Guardia Field, New York.

Fares approximate $22 (Canadian currency) one way and $40 return, plus the new 10 per cent Dominion tax on plane, railway, bus and steamship tickets.

T. C. A. recently was awarded the N. Y.-Toronto non-stop flight in competition with one other Canadian and three other U. S. companies. In taking over the N. Y. run, T. C. A. has withdrawn from its Vancouver-Seattle run in favor of a U. S. company

One early flight from Malton to La Guardia Field, made with a favorable tail-wind, took 1½ hours. But average cruising speed for the 371-mile journey will be 180-200 miles, making scheduled time 2 hours on the southerly journey and 2¼ for return, when winds are less favorable.

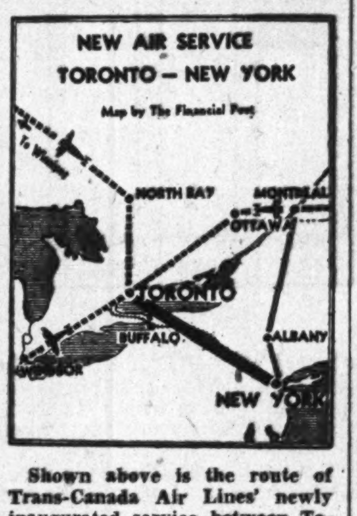
Several inaugural flights launched the service this week. Two took parties of Canadian newspaper writers and magazine editors to New York; another brought U. S. correspondents to Canada. A party of Toronto civic officials is also flying to N. Y. But before these "inaugural" flights, mail had been carried between the two cities and Miss Dorothy Thompson, newspaper columnist, had already used the planes for her return to New York last week after a speech in Toronto.

Plane schedules are:

Leave Toronto	10 a.m.	11.30 p.m.
Arrive N. Y.	12 noon	1.30 a.m.
Leave N. Y.	7.30 a.m.	8.15 p.m.
Arrive Toronto	9.45 a.m.	10.30 p.m.

(All times E. S. T.)

On a trip this week The Financial Post writer noted that it took precisely ten minutes to cross Lake Ontario from the mouth of the Credit River to the outlet of the Niagara.



Shown above is the route of Trans-Canada Air Lines' newly inaugurated service between Toronto and New York, linking the two cities for the first time by direct regular air transport. The non-stop trip schedule calls for only two hours to cover the 371 miles between the airports, compared with 12 to 15 hours for the 550-mile train trip, also shown on map.

Dotted lines on the map show other T. C. A. services out of Toronto, to Montreal, Ottawa and the Maritimes, to London and Windsor, and to Winnipeg and Vancouver.

Tamblyn Ltd. Profits Gain 17% in Quarter

Gain of 16% in sales and 17% in profits, after deducting taxes at the 1940 rates, is reported by G. Tamblyn Ltd. Rise in sales reflects increase of four stores in the Tamblyn chain, one each in Ottawa, London, Windsor and Sarnia. One store has been opened in Toronto and one closed.

Obtaining sufficient qualified druggists remains a problem and material supplies are slow in delivery. The latter problem is largely overcome by carrying increased inventories. Figures for the first quarter of 1941 follow:

Three Months Ended March 31

	1941 $	1940 $	Incr. %
Sales	†1,053,494	910,394	15.72
Profits‡	29,826	25,428	17.30

‡After provision in both cases for Dominion and Provincial taxes at 1940 rates.
†Four more stores operating in 1941.

FOR INDUSTRY

Speed the work of plant expansion with * J-M Built-Up Asbestos and Asphalt Roofs * J-M Roll Roofings * J-M Insulating Board * J-M Asphalt Tile Flooring * J-M Rock Wool Insulation * J-M Asbestos Wall Boards * J-M Acoustical Service and Materials for every requirement.

JM JOHNS-MANVILLE BUILDING MATERIALS

FOR THE HOME

Modern materials that protect against fire, weather and wear. J-M Cedargrain Asbestos Siding Shingles * J-M Asbestos and Asphalt Roofing Shingles * J-M Rock Wool Home Insulation * J-M Asbestos Flexboard and Wainscoting * J-M Decorative Insulating Board products.

CANADIAN JOHNS-MANVILLE CO., LIMITED
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B. C. Telephone Bill Arouses Stiff Debate

From Our Own Correspondent

MONTREAL.—Bill before Parliament to permit an increase in authorized common stock of B. C. Telephone Co., from $10 millions to $20 millions, also seeks to clarify the company's authority to redeem existing preferred and preference shares.

These shares were originally issued as redeemable but, it is said, technically the powers of the company under its charter do not permit it to redeem these shares.

This amendment prompted Hon. R. B. Hanson, Opposition leader, to state that:

"There is a colored gentleman somewhere in this bill with respect to this question of redeemable or irredeemable preferred stock, about which we have not been told."

Rights of Preference

Mr. Hanson urged that before the bill is passed "it should be abundantly clear that there is no breach of contract with the present holders of the preferred shares." He argued Parliament should not give the company the right to "take away the contractual rights of these preferred shareholders" if the shares are not redeemable under existing charter provisions.

Question of Control

According to H. C. Green (Vancouver South) B. C. Telephone Co. is controlled by American Telephone & Telegraph Co. He quoted from the recent annual report of Walter S. Gifford, president of American Telephone & Telegraph Co., in support of his contention that funds for capital expansion could come in large measure from reduced common dividends.

Actually, The Financial Post records show that B. C. Telephone Co. is controlled by Associated Telephone & Telegraph Co. through Anglo-Canadian Telephone Co., and is in no way associated with American Telephone & Telegraph Co. Anglo-Canadian Telephone Co. owns 44,979 out of a total of 45,000 ordinary shares of B. C. Telephone Co. outstanding. Associated Telephone & Telegraph Co., in turn, controls Anglo-Canadian.

May Drop Clause

Debate on second reading of the bill, which has been passed by the Senate, has been adjourned.

Intimation from the company is that it has no immediate intention of raising the additional capital for which it seeks authority. This would only be done at an appropriate time and when the need was present.

It is also suggested that the contentious provision regarding redemption of preferred shares may be dropped to hasten passage of the bill.

New 15% Tax Is Boomerang

(Continued from page 1)

receives a net premium by exercising the U. S. payment option of approximately 4½%. Actually, the new budget provides that if the Canadian foregoes his U. S. funds premium, no tax will be levied. Apparently, it is still to his advantage to take the premium.

The net effect of the changed taxes on the security holder will depend largely on his income status. The new tax will be paid either to Ottawa or Washington, not both. If American holders of Canadian securities have the tax deducted from the income before it leaves Canada, then they can claim exemption out of other taxes due to Washington. The catch would be in the case of a holder already in the red who would not have other taxable income, from which to make the deduction.

Insurance companies with reserves of securities deposited across the border against policy liabilities in the same country have been regarded as residents for the purpose of the tax. Thus, a Canadian company, having sold insurance in the United States and having pledged securities there as backing, will not be called upon to pay 16½% on the growth of its investments. Similar regulations have been in effect for U. S. companies operating in Canada.

No longer free to liquidate Canadian investments under foreign exchange restrictions, the majority of U. S. investors have less freedom than Canadians in adjusting to the new taxes. On the other hand, the proportion of investment funds in Canada to total U. S. investments is smaller proportionately than Canadian investments in the United States. The adjustment of Canadian investment portfolios is therefore likely to be major, as the 16½% tax more than offsets the advantage of holding U. S. securities at current exchange rates.

Companies Hit

In addition to thousands of individuals throughout Canada who hold U.S. stocks and bonds, the higher American rate of taxation will be an important matter for many companies.

There is a group of Canadian companies, a large proportion of whose business is done in the United States. This means that the parent company in Canada would get the greater share of its revenue from dividends or interest paid by its subsidiaries in the United States. It is understood that this income was subject to taxation at the source at the 5% rate under the 1936 convention. Now this rate is 16½%.

Among leading Canadian companies to which this would be important are Moore Corp., Hiram Walker-Gooderham & Worts, Distillers Corp.-Seagrams, International Metal Industries, British American Oil Co., Page-Hersey Tubes and others.

In the above list Moore Corp., International Metal Industries and the two liquor companies probably derive up to 90% of their revenues from operations in the United States. Thus, the new tax would mean an important additional burden to them. The others would get a smaller share from that source.

Under the former ruling, wholly-owned Canadian subsidiaries of U. S. firms were exempt from the 5% tax, but this rule did not apply to wholly-owned U. S. subsidiaries of Canadian companies, which had to pay 5% to Washington. No rulings are available as to the status of these companies under the new rates.

The problem of double taxation—where the shareholder of an investment company was domiciled in Canada, and the company, in the United States, received income from Canadian sources—appears to be intensified by the new taxes. Such companies as International Hydro-Electric, whose bonds are held widely in Canada, and whose income is largely derived from Gatineau Power appear to come under this head.

Under the former procedure, and that to be adopted in Canada, the tax is deducted by the concern paying the dividend or interest from all payments going to residents of the United States or coming from that country to Canada.

Take First Step To Refinance Montreal

(Continued from page 1)

laid down for the refinancing of Montreal debt.

The Montreal Metropolitan Commission exercises financial control over 14 controlled municipalities on the Island, but Montreal does not come into the Commission's sphere of influence. The Commission's responsibilities are restricted entirely to financial control of the 14 bodies.

Spadework Already Done

Much preliminary work has already been done by an informal debenture holders committee, which will likely prove valuable to the new body.

The informal committee was formed shortly after default on May 15, 1940. While it had no official status it proceeded to probe the situation. A survey of the city's finances and its ability to pay was made by McDonald & Currie on its behalf.

This return has been in the hands of the informal committee for some time and will now be available to the formalized committee.

The informal body also initiated negotiations with the municipality and province to ascertain what common ground could be found before an official move was instituted to rehabilitate the municipality's finances.

Reject Potvin Plan

In course of talks between the informal committee and provincial administrators, L. E. Potvin, chairman of the Quebec Municipal Commission, who has made a reputation for himself in reorganizing defaulted municipalities, placed before the committee a tentative plan. The plan was unacceptable to debenture holders, but the barrier between what the debenture holders wanted and what the government officials were prepared to give is not considered insurmountable. While not likely to be adopted the Potvin plan will at least serve for a starting point.

Montreal Finances Deteriorate

Financial position of Montreal deteriorated steadily for many years, culminating in default on a $3.9 million debenture maturity May 15, 1940. After carrying the city from crisis to crisis the banks decided that they could no longer support a municipality whose financial administration did not appear able to cope with its problem.

The city has defaulted on its term debenture maturities but continued to pay interest on the matured issues and meet serial maturities.

Upon default last May the Quebec Municipal Commission stepped in and took over control of the city's affairs. L. E. Potvin, as chairman of the Commission took over administration of the city, and appointed Honore Parent, K.C., to head the civic organization. Mr. Parent had been director of Montreal services since 1930.

The new City of Montreal Debenture Holders Committee personnel is as follows:

H. P. THORNHILL—joint treasurer, Sun Life Assurance Co. of Canada, Montreal.
W. A. ARBUCKLE, C.A.—Montreal.
LT.-COL. RODOLPHE BEDARD, C.C.G.C.—president, La Société des Artisans Canadiens-Français, Montreal.
DR. H. CYPIHOT—president and managing director, L'Alliance Nationale, Montreal.
J. V. DESAULNIERS—vice-president and managing director, Société Nationale de Fiducie, Montreal.
E. C. GILL—assistant general manager and treasurer, Canada Life Assurance Co., Toronto.
H. L. GUY—treasurer, Mutual Life Assurance Co., Waterloo.
R. E. HALDENBY—manager, Dominion Securities Corp., Montreal.
JAMES MATSON — Royal Insurance Co., Montreal.
HON. JACOB NICOL, K.C.—president, Stanstead & Sherbrooke Mutual Life Insurance Co., Sherbrooke.
W. C. O'KEEFE—Metropolitan Life Insurance Co., New York.
J. PEMBROKE — assistant manager, Royal Trust Co., Montreal.
P. K. ROBINSON—director of municipal bond research, Norhtwestern Mutual Life Insurance Co., Milwaukee.
GERALD RYAN—managing director, L. G. Beaubien & Co., Montreal.
T. TAGGART SMYTH—general manager, Montreal City & District Savings Bank.
CYRILLE VAILLANCOURT—manager, La Federation des Caisse Populaire Desjardins, Quebec.
J. F. INNES—secretary of committee, Sun Life Assurance Co. of Canada, Montreal.

Limit State Control Over Steel Plant

(Continued from page 1)

whole but solely to the main unit of its several plants.

In effect, the Government has stepped between the board of directors and full control over the main plant, potentially on a broad, elastic basis, but actually in regard to disposition of a dispute with workers.

Shareholders' Position

There would thus appear to be little immediate effect on the interests of shareholders, as far as operating results, earnings and dividends are concerned. There may, of course, be an indirect long-term effect on labor relations and production as a result of the present disturbance, and should the C.I.O. union obtain a foothold in the plant.

At the same time, shareholders cannot overlook the fundamental question of principle involved in Government control to enforce adjustment of labor trouble. And as Government spokesmen have declared, similar summary action will be taken to resolve other troubles that hold up war output, this basic question is also of concern to shareholders of any company that may be subject to such peremptory procedure.

Circumstances of Case

Appraisal of this and of the circumstances surrounding the case require some review of the successive steps by which the matter developed, leading up to the strike and forcible settlement. These may be summarized briefly as follows:

After a brisk organizing campaign of several months, seeking to establish membership strength in the plant and gain recognition of the union as bargaining agent, the Steel Workers Organizing Committee applied for a conciliation board early in February. The application did not cover the plant as a whole, but related only to alleged disputes on wages, hours, etc., between the company and certain maintenance workers, numbering about 70 men out of the total plant payroll of 2,700.

Company spokesmen contended a conciliation board was not justified, as wage payments were well above 1926-29 levels and there had been no evidence of any real complaint. The only issue was union recognition, it was argued, and the union's own application indicated it could speak for only a small group of maintenance workers. However, after extended study of the situation by Government officials, a conciliation board was established early in March and finally constituted by appointment of a chairman March 25.

By the time this board began proceedings early in April, the S.W.O.C. had filed further applications covering workers in other departments of the plant (including some production units), asking they be included in proceedings of the board. There were also filed complaints of dismissals and discrimination against workers on account of union affiliation or activity. These dismissals were stated to have taken place subsequent to the original application and some after establishment of the board, and immediate disposition of these complaints was demanded.

Majority Decision

The Minister acceded to the request for consideration of this matter, and the board's hearings early in April concentrated on evidence, argument and discussion of charges of wrongful dismissal. A majority of the board decided against submitting an interim report on the merits or otherwise of the dismissal complaints. Instead it was proposed that a plant vote be taken to determine the right of the union to represent the employees.

At the same time, however, the board recommended immediate rehiring of George A. Tanner, pending final disposition of his case. This was proposed not because of any special merits of his case, but solely, the board majority stated, because he was president of the local branch union of the S.W.O.C. and one of the applicants for the conciliation board.

Proposals Rejected

Company officials declined, it is understood, not only to reinstate Tanner on the basis proposed but also to agree to the projected vote. Indications are they regarded both these recommendations as irregular and unjustified in view of absence of any interim finding (as directed by the Minister) on the complaints of dismissals, including Tanner's. It may also be inferred that they argued that the fact Tanner was president of the union, not having been the cause of dismissal, was no reason to reinstate him.

In any event, the company rejected the majority proposals. The Industrial Disputes Investigation Act does not make findings of conciliation boards binding on either party to a dispute. The S.W.O.C. then called a strike of its supporters in the plant. The company stuck to this refusal even when given a Government ultimatum with a 2½-hour time limit, at the expiration of which state control of the plant was made effective.

Western Grocers Sales Spread More Evenly

At the annual meeting of Western Grocers Ltd., W. P. Riley reported installment marketing of the 1940 grain crop eliminated the usual fall upturn in sales of foodstuffs. But in future this factor would result in more evenly balanced sales over the year as a whole, he said.

Inventories at the end of 1940 were 10% lower than a year previous. Despite a continued upward trend in commodity prices, the management felt it unwise to carry larger inventories than were warranted by volume of sales.

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Toronto Stock Values Lose $136 Millions

Quoted market value of all shares traded on the Toronto Stock Exchange was down $136,037,495 at April 30, from the previous month, value at the end of April being $3,536,711,993. Member borrowing totalled $7,420,314, down $189,053 from March, and $8,486,617 below April, 1940.

Borrowings amounted to 0.21% of quoted market values at April 30, unchanged from a month earlier. A year ago member borrowings amounted to 0.35% of quoted values.

Traders Finance Adds H. R. Milner to Board

H. R. Milner, K.C., Edmonton, has been elected to the board of directors of Traders Finance Corp., replacing the late Hon. Frank Carrel of Quebec. Mr. Milner is president of Dominion Gas & Electric Co., Canadian Western Natural Gas, Light, Heat & Power Co., Northwestern Utilities Ltd., Canadian Utilities Ltd., and Anglo-Canadian Oil Co.; and a director of a number of other companies.

Montreal May Form Purchasing Dept.

From Our Own Correspondent

MONTREAL.—Establishment of a department of purchasing and stores is being asked by adminstration of Montreal. Approval for the new department is being sought from city council.

At present this activity comes under the finance department, but it is held that establishment of a separate department would result in economy and greater efficiency.

Modern MANUFACTURING by mass production brings the products of science and invention to all.

The Bank has co-operated with the manufacturers of Canada since 1817. Tens of thousands of workers find here the banking service they need.

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BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service ... *the Outcome of 123 Years' Successful Operation*

Tramways Bond Support Sought

From Our Own Correspondent

MONTREAL.—Holders of general mortgage bonds of Montreal Tramways Co., due 1955, are asked to let the bondholders' committee know amounts of holdings, according to announcement by Rene Morin, general manager of the General Trust of Canada.

Mr. Morin states that bondholders are not being asked to deposit their bonds as yet but that it is important for the committee to be able to communicate with bondholders. He adds that the committee represents a substantial proportion of the outstanding general mortgage bonds and plans to participate in the negotiations of any reorganization between the company and bondholders.

Information can be sent to the committee secretary, Jean Casgrain, 112 St. James St. West, Montreal, or any committee member.

Formation of the committee to represent general mortgage bondholders followed announcement by the company that it would be unable to meet the maturity of its 5% first mortgage bonds on July 1, next.

N. L. Nathanson Passes Famous Players Option

Famous Players Canadian Corp. has announced that N. L. Nathanson, president, did not exercise option to purchase 11,000 shares of the company's stock. This option originally called for Mr. Nathanson to take up 11,000 shares at $16 a share by July 1940. It was extended to Jan. 31, 1941, and later to April 30.

Mr. Nathanson took up three blocks of 11,000 shares each in 1937, 1939 and 1940. In addition to the option just terminated, there was one for an additional 11,000 shares to be taken up at $17 a share by July 15, 1941.

United Steel's Board Increased in Size

Board of directors of United Steel Corp. was increased from seven to nine members at the recent annual meting. E. E. H. Wright, F. L. Haviland, Emile Darte, and George Gardiner were added to the board, while T. A. McAuley, London, Eng., and F. E. Conway, of Toronto, retired.

C. P. R. Obtains Big Air Stake

Control of Several Air Lines in Canada Officially Announced

From Our Own Correspondent

MONTREAL. — In 1940 Canadian Pacific Railway Co. acquired additional treasury stock of Canadian Airways, President Sir Edward Beatty reported at the C. P. R. annual meeting. This still left Canadian Airways controlled by the James Richardson estate.

Sir Edward also revealed that C. P. R. recently acquired a majority interest in Mackenzie Air Service Ltd., Yukon Southern Air Transport Ltd., Starratt Airways & Transportation Ltd., and Ginger Coote Airways Ltd. The company is now engaged in reorganizing operations of these companies under their former managements.

Provide Air Connections

Sir Edward states that this step was taken "with the concurrence of competent authority . . . in order to provide air traffic connections with your railway and to remedy so far as possible a somewhat chaotic competitive situation in the field of air transportation, particularly in western Canada."

None of these air line operators are competitive with Trans-Canada Air Lines but perform valuable functions complementary to both T. C. A. and the railway.

In 1940, C. P. R. created its Air Services Department under agreement with the British Ministry of Aircraft Production. This department assists in movement of bombers to England and delivery of them there to the Royal Air Force. In this job C. P. R. is acting as agent under instructions of the British ministry.

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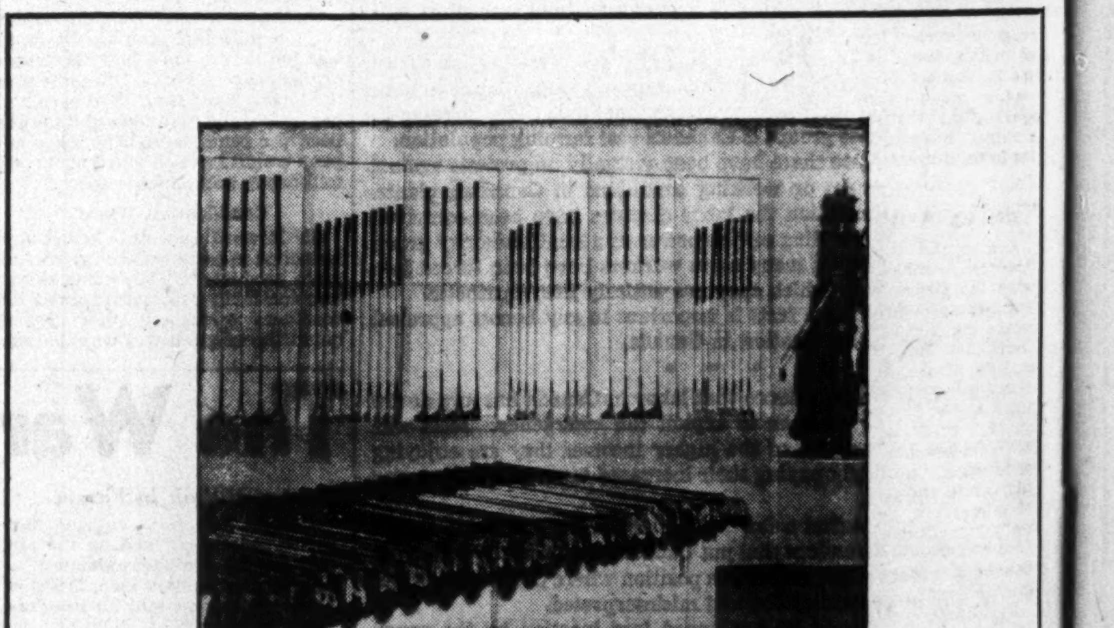


Simpson's Presents a Complete Range of Your New

Walter Hagen Golf Clubs

For driving power, for superb balance, for all 'round outstanding performance, Walter Hagen Clubs are in a class by themselves! Designed by the one and only Walter Hagen, whose record in competitive golf is known the world over, they've won enthusiastic admirers wherever good golf is played. You'll find a complete range of Walter Hagen Clubs at Simpson's, moderately priced. Here are four popular models, available in sets and singles—

INTERNATIONAL WOODS
Lorythmically balanced. Finely modelled cherry-finished head, with red fiber face insert. Each $12

INTERNATIONAL IRONS
The popular International compact blade in an improved model. Lorythmically balanced. Each 8.50

AMBASSADOR WOODS
Well designed head, finished in mahogany with hairline stripings across the top. Each 5.50

AMBASSADOR IRONS
Mild-forged steel, chromium-finished, with contractor at back. Each $5

Simpson's
SPORTING GOODS
FOURTH FLOOR

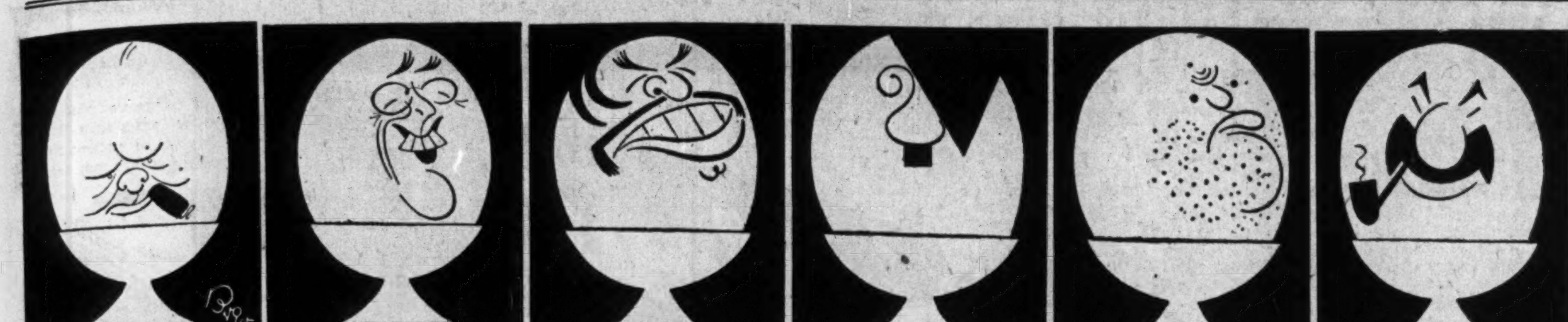
Weekly Record of Financing in Canada

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Victoriaville, P.Q.	Apr.	Bank Can. Nationale	4%	1942-61	$90,000	.....	.....
Dominion—							
Canada Treasury Bills	May			Aug. 2, '41	35,000,000	99.858	.582%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Rolland Paper Co.	May	W. C. Pitfield & Co. (Privately)	4½%	1951	$100,000	.....	.....



Our Winston is a tough egg
And Franklin is hard-boiled;
They fling a wink across the drink
And Axis moves are spoiled.

Boiling like Mississippi's flood—
Free peoples at their back—
They make it hot and take it hot
Till lesser eggs must crack.

Scrambling to sell his country
And buy himself a job
Is Herr Laval, un cochon sale,
All set to rape or rob.

While running over Europe,
His peace plan preached with guns,
Goes screaming wild that problem child,
The Fuehrer of the Huns.

But egg-head Mussolini
Is addled in his pate;
His bad-laid plans to rule the sands
Are in the stinking state.

And smiling in the Kremlin,
While quiet flows the Don,
Joe Stalin sits and snaffles bits
And eggs the others on.

—*From the News Review, London.*

Noorduyn Output Moving Higher

From Our Own Correspondent

MONTREAL. — Production of Noorduyn Aviation Ltd. is increasing steadily as employee efficiency increases, R. B. C. Noorduyn, vice-president and general manager, stated following annual meeting of shareholders. The company is working on North American Harvard Trainers and Noorduyn Norseman, both used in the Air Training Plan.

Contracts have been placed by the Department of Munitions and Supply for additional building of 101,400 sq. ft.

When this new unit is available floor space for operations will total 275,000 sq. ft. Employees have increased from 1,465 at the first of the year to 1,879 at April 25.

London Calling

By Atticus

Westminster Plunges Deep Into Problem Whether or Not to Open Theatres on the Sabbath — and Lloyd George Orates on Agriculture

LONDON.—The times are out of joint. Too many things are happening. But in the midst of it all there is a passionate debate in the House of Commons on whether or not local authorities should be allowed to permit the opening of theatres on Sundays. Mr. Lloyd George reappears and makes his great Cincinnatus speech on agriculture.

It is too much. The stage is overcrowded and the play suffers from overmuch action.

The House of Commons is an unpredictable place. It seemed to many of us (though not the majority) that the issue involved in Sunday theatres was a clear and simple one. If there had been a motion to return to the Sunday of our fathers, when laughter was a crime and even classical music an affront, that would have been understandable and in some ways commendable. Those grim Sundays produced character as well as gloom. But having conceded the public house, the cinema, the open road, and the playing fields, we could not see why Shakespeare and Wilde and Barrie and the living theatre should be banned. But Mr. Magnay, in a state of spiritual exaltation, saw in the proposal the machinations of both Hitler and the Devil. A. P. Herbert, the apostle of English sanity, tried to meet frenzy with logic, but Dr. Little, of Ulster, made it a clear issue of virtue versus sin.

The political repercussions of the debate are not without interest. Although the private members were given a free vote the Sunday opening was a Government measure. Mr. Morrison, as Home Secretary, had brought it forward and pleaded for it. Yet out of the odd dozen occupants of the Whip's office only two voted for the Government plan. As far as the Front Bench was concerned, Mr. Morrison reminded the House that any Bill or Measure was a matter of collective Government responsibility. Yet several Ministers abstained.

I shall not affront the susceptibilities of anyone by discussing the religious issue, if such a thing existed in this case. But I wonder why the Parliament of a country which owes so much to the theatre should speak of that institution as if it were a vulgar, brawling, and demoralizing form of entertainment.

• • •

The ex-Ambassador

Anthony Drexel Biddle, who was American Ambassador at Warsaw when the Germans began the war, and Deputy Ambassador to France when the French were going to pieces, has the most engaging personality of all the Americans who have visited us. When he came to lunch at the House of Commons it was his first visit to Westminster and no schoolboy could have been more eager in his enthusiasm. In fact, while showing him the sights of interest my eloquence rose to really remarkable heights until the Lord Chancellor joined us, when I deemed a lighter pressure on the throttle might be advisable.

Mr. Biddle was in Bordeaux during the tempestuous days when the French were assuring the British that they would sign no terms unfair to Britain, while concealing the conditions of the Armistice by every means in their power. At the luncheon at the House, Mr. Biddle and A. V. Alexander who, as First Lord, had gone to Bordeaux during the crisis, exchanged hair-raising reminiscences. Certainly the American's solicitude for Mr. Alexander at that time could not have been greater if he had been the head of his own Navy.

Mr. Biddle was born rich and presumably is still rich. He is tall, good-looking and dresses well. His zest makes him grand fun. Some day I am going to show him around the Houses of Parliament again when Viscount Simon will not be there to limit one's flights.

• • •

The Honorary Physician

If Drexel Biddle is a handsome American one must admit that the new Honorary Physician to his Majesty can rank as one of our best-looking Englishmen. Sir Weldon Dalrymple-Champneys went straight from Oxford into the Grenadiers in 1914, and fought to the end of the war. This must have been a terrible experience for one who by heredity and instinct is passionately interested in the healing arts. His father, the late Sir Francis Champneys, secured the first charter for British midwives, and was for many years the chairman of the Central Midwives Board.

Sir Weldon, his son, has fought to the point of discouragement against the insensitive treatment of nurses today, which has resulted in an inevitable but serious shortage. As Deputy Chief Medical Officer at the Ministry of Health, his labors, already heavy, have been doubled by the war.

Sir Weldon looks neither a soldier nor a doctor. In appearance he might be a diplomat with a weakness for Brahms but never Bach. Tall and athletic, he nevertheless gives a suggestion of gentleness and consideration and if he inherited his medical zeal from his father he has equally inherited his good looks and artistic leanings from his mother, who was a great beauty, and from his grandmother, who was frequently painted by the artists of her day.

• • •

Count Teleki

The suicide of Count Paul Teleki robbed Central Europe of one of the few men left in power who could use their influence for sanity and moderation. Twenty years ago Hungary had the most reactionary system of government in Europe. Eventually, however, she came to boast the most progressive by the simple process of standing still while all her neighbors went back. In achieving that stationary triumph she owes her stability to men like Paul Teleki.

It is often said that Britain and Hungary are the only countries where you will find gentlemen who are not necessarily aristocrats. Count Teleki was only an aristocrat by chance. He was a gentleman by tradition, upbringing and nature. For him politics were not a profession but a public duty. His flat in Budapest with its few pieces of 18th century furniture and its many books, most of them in English, would have been an ideal background for a Grey, a Balfour or a Harcourt.

He spoke fluent English and dressed like an Englishman. At heart he was probably a legitimist but he subordinated his feelings for the sake of Hungary. To him uniforms, heel clicking and all the paraphernalia of Nazi display were childish and sickening. He was happiest of all among his maps, his old travel books, his horses and his dogs. He disliked assuming the Premiership of Axis-enclosed Hungary because he knew that he had no choice but to fall in with the demands of the Nazis who held his country at their mercy ever since Austria fell. In spite of that he always hoped that he could preserve the integrity of Hungarian soil from actual German penetration.

Men are strange creatures. They lust for power even though it must end all happiness for them. To hold political office in Europe today is to grasp the poisoned flower in one's hand.

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Wartime Housing Project Begins

Construction programme in the Niagara Peninsula of Wartime Housing Ltd., new Government company to ease housing congestion in areas of war industry and defense projects, is being started shortly with projects embracing around 600 single family dwellings and a number of dormitory-type staff houses to accommodate nearly 800 men. Total outlay involved will be about $925,000, of which around $850,000 will be for single houses.

Work is to be started in the immediate future on erection of 100 single dwellings and three staff houses (each housing 90 men) at St. Catharines; 232 houses at Welland; 234 houses at Fort Erie and a large project to house 520 men, mostly in staff houses, in the industrial district of Hamilton.

J. M. Pigott, president of Wartime Housing, has announced tenders are being called for erection of 150 houses at Windsor.

Keeping Posted

By J. C. KIRKWOOD

At 25 Winston Churchill stood for the constituency of Oldham, a Lancashire cotton town—without success. Later, in the same year he went off for Cape Town to the Boer war, as war correspondent. Then followed a series of perilous adventures, and a reward of £25 was offered by the Boers to anyone "who brings the escaped prisoner of war, Churchill, to this office, dead or alive!" After the Boer war, Oldham gave Winston a majority of 1,900. So began his Parliamentary career.

The stranger-than-fiction story of Winston Churchill is being captivatingly told in Maclean's Magazine, by John Coulter, former London editor, now a resident of Toronto, and author of the prize-winning play, "The House in the Quiet Glen." You'll find the chapter in the May 1 issue of Maclean's supercharged with gripping facts.

• • •

Creating Business

A recent survey of consumers' shopping practices showed that 62% purchased something they had not previously planned to buy before leaving home; that 42% of all purchases were made on impulse; and that 75% of all "impulse" purchases were bought because they were on display. "Display's the thing," declares Canadian Grocer. "No aggressive grocer of today," says Canadian Grocer, "contents himself with merely handing out goods that are asked for. He must create business—by good displays of food and grocery products."

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Aid to Britain

In Britain a purchase tax helps discourage consumers from buying non-essential goods. One result is that some companies have died. Another result is the forced cultivation of export markets on the part of many manufacturers who in normal times depended on the domestic market. Hardware and Metal quotes J. B. Greaves, British Trade Commissioner in Toronto, as saying: "If I were compiling a list of export markets which are of special value to the United Kingdom, I should place Canada, with the United States, at the top." Canada has co-operated with Britain magnificently in Britain's effort to dispose of her surplus production in Canada. Both large and small retail establishments are urging their customers to "Buy British."

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The Coal Facts

The first discovery of coal in North America was on Cape Breton Island, in 1672, one year before it was discovered in the United States. This bituminous coal was mined by the French as early as 1740. Coal mining in Canada has developed much since then. In 1937 there were 503 coal mines in operation, capitalized at over $118 millions. They produced upward of 16 million tons, valued at approximately $40 millions. About $32 millions was paid out in wages to over 27,000 employees.

A fine article on Canada's coal supplies and consumption appears in the April issue of Modern Power and Engineering.

• • •

Comfort Pays

Comfort pays. For the Victory Building, Toronto, 21-story structure, the comfort obtained by air-conditioning has paid handsome dividends in the form of greater occupancy, higher rents and lower operating costs. The facts are told in the current issue of Heating Cooling and Piping, by E. A. Allcut, professor of mechanical engineering, University of Toronto. The economics of comfort in relation to work—air-conditioning, ventilation, the elimination of noise, the reduction of fatigue, better illumination—are established by figures. Manual efficiency in assembly work in one plant was reduced by from 6% to 12% when operatives worked with cold hands. Efficient ventilation can increase the average output by 12% or more. Noise abatement in a large office reduced errors by 42 per cent. In some industries production has been increased from 10 to 35% by better illumination.

Imaginary Profiteers

This is an editorial which appeared in The Winnipeg Free Press, April 28, 1941.

The idea is still current with some people that huge profits are being made out of the war. They think that, with vast sums being spent on war supplies, somebody is being enriched and that fortunes are being amassed. In the recent provincial elections, one Winnipeg candidate declared that while there was a ceiling for wages, "the sky's the limit for profits." He also asserted that there were 26 new millionaires in Canada since the outbreak of the war. Those who talk of profiteering in this war have no knowledge of the facts, or they have unscrupulous disregard for them. The statement that there were 26 new millionaires, with the implication that they had become enormously enriched through profits on war business, was a bold fabrication, without any warrant and designedly made for the purpose of capturing the votes of uninformed people.

A mistake of the last war was to allow large profits to be made and retained out of war contracts. But one of the first things done in this war was to prevent a repetition of that mistake. This was done through the excess profits tax and through increases in the personal and corporation income taxes. The results are now available. The facts are contained in reports which all business firms must make to the Finance Minister; and those facts are a flat disproof of the talk of large profits or of men making fortunes out of the war.

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It will surprise those who have been misled to learn the truth—that most war industries actually had less profit for their shareholders from the business of 1940 than from the previous year, in spite of the great increase in business. That was because of the vigilance of the Government and its taxing the profits away from them. Some companies did have increased profits for their shareholders, but the Government goes after the latter with the far heavier personal income tax and takes a large part of those dividends. The average result for all war industries has been not larger profits for last year, but a reduction of 4.3% in the profits as compared with those of 1939.

The real situation is that the war industries, with their immense volume of business, are being used by the Government as a vast source of revenue to pay the costs of war, and that they are not being allowed to make greater profits than before.

Some striking instances of heavily increased taxation and resulting decrease in net profits are quoted by The Financial Post.

The reports of 130 of the more important Canadian companies show, according to The Post, that they are paying $71.6 millions in increased taxes on their business in 1940 and that their increase in profits before taxes was $67.6 millions, so that, on the whole, they actually went behind as far as net profits are concerned.

The various industries belong to different groups. Each group of war industries had less net profit than in 1939, and the only group with more profit was pulp and paper, which is not a war industry and had previously been greatly depressed.

The metal-working industries, with a larger volume of business, had a reduction of $4.3 millions in their net profits.

The textile industry, which makes uniforms, tents, tarpaulins and other equipment, had a 22% reduction in its net profits in 1940.

Mining and other extraction industries did their greatest business last year but, as a group, they had $2.3 millions less profits for their shareholders. The Hudson Bay Mining and Smelting Company at Flin Flon was an exception. It had more profits because of increase in plant. The mining companies are not profiteering, firstly because they agreed, soon after the outbreak of war, to low prices for their copper, zinc, nickel and other products and, secondly, because of the steep taxation. Ten large companies in the extraction group, which includes mining, are paying $14.3 millions in increased taxation, which leaves substantially less net profits than for the previous year.

The war industries in all the groups have had, on the average, less profits for their stockholders. Some companies have had more profits, but when these were distributed the tax collector was waiting to take a good share from the recipients. The wealthier shareholders—those who are supposed to be getting rich—contribute the greater part of any increased dividends to the Dominion treasury.

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There is simply no possibility of anyone engaged in war business in Canada growing rich. The 15% drop in the average price level of the stock market at the end of 1940, below that at the end of 1939, is one proof that profiteering is out of the question. The reason for that drop is that the Government has become so efficient in scooping up the profits for its own use, and taking, in most cases, not only all the new, additional profit, but also a larger slice of the normal profit.

It is right that the Government should follow this policy, and the public should know that it is being done. When people talk of profiteering in a big way and of millionaires being made by this war, they do so either in ignorance of the facts or with the design of misleading and arousing the uninformed and gaining their political support.

Dominion Textile Co. Decides on Wage Bonus

From Our Own Correspondent

MONTREAL.—Dominion Textile Co. will shortly put into effect a wartime cost of living bonus which will mean payments of more than half a million dollars a year. The bonus will follow the lines recommended to industry in general by the Dominion Government.

Wage rates of the company have risen steadily for the past six years and are at an all time high, being 26% above the 1929 level.

MOTHER'S
remaining DAYS

can be made contented and secure through a Living Trust. This plan enables you to set aside a portion of your property, with the Crown Trust Company managing it as your trustee, for her benefit as long as she lives.

This plan enables you to observe trust service in action. It can be changed or revoked at any time. May we supply the details?

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MONTREAL TORONTO

IN MONTREAL...
THE Windsor
ON DOMINION SQUARE
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THANKS TO THE BUDGET

Your British Electric Power Equipment Now Costs Less

Bepco Canada Limited announce to their customers that they will pass on the full benefit of the reduced importation tariffs on their existing and future contracts for Motors, Transformers and Switching Equipment.

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Eight Balls of Fire

...and how they can travel!

IF YOU like fireworks, and who doesn't, it's really too bad you can't see what goes on inside that sparkling big Buick FIREBALL eight.

You'd see *each* fuel charge packed tight into a tiny bundle shaped like a flattened ball . . .

You'd see the spark leap, the flame spread, the piston thrust down with extra force as each furious fireball lets go its pent-up wallop.

You'd see all this happening as fast as *thirty times a second* in *each* of those eight cylinders—and we think you'd understand then just *why* there's such a special and exciting satisfaction in the way a Buick travels.

When you've got these eight balls of fire working busily, you really *travel!* You travel farther on every gallon and you travel more pleasurably.

There's a Buick dealer nearby waiting to *show* you how you travel behind a FIREBALL.

CANADIAN-BUILT BY GENERAL MOTORS

"Best Buick Yet"

BUY WAR SAVINGS CERTIFICATES
Work for Victory... Lend to Win!

M-1341

Investment Trends

Foreign Investors Feel New Budget Taxes

Tax on Interest and Dividends Paid to Non-residents Tripled — Why Business Goes Up and Stocks Go Down

Non-resident investors—and this actually means investors in the United States and the United Kingdom—are going to feel the latest Canadian budget more than any other, although certainly no harder than will Canadians themselves.

There is the increase in the tax on interest and dividends sent out of Canada to foreign investors which is raised from 5%, in the case of U. S. investors, to 15%. Moreover, the tax is now to apply to "N. Y. payment" bonds, formerly exempt. (Dominion and Dominion-guaranteed issues will still be exempt.) There are new Dominion succession duties which now apply to estates of non-residents which have Canadian assets. And there is the higher scale of corporation taxation which takes its share before shareholders can get theirs.

* * *

What It Means

Mr. Ilsley estimates that a net increase in revenues of $28 millions will result from the higher tax on investment income to non-residents and removal of the former restrictions. His hopes in this respect, however, are not shared unanimously by informed financial opinion.

Because of the large amount of foreign capital invested in Canada — estimated at $7,000 millions at the end of 1937 — this country collects more from such a tax than Canadians have to pay, providing something like the same levels of taxation prevail. In 1937, for example, there were estimated interest and dividend payments from Canadian sources to investors in other countries, including the United Kingdom, of $325 millions. As Canadians received $78.8 millions from similar sources in other countries, there was a net balance of payments of $246.2 millions.

Perhaps the new tax will further discourage foreign capital—and by this we mean American capital—from coming to Canada. But there are already plenty of reasons for capital to hesitate coming to a country at war, and this latest tax change will probably have little real effect at a time when taxes are rising everywhere.

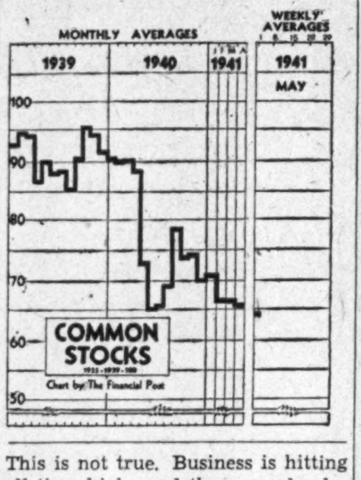
* * *

The Puzzling Gap

Why stock markets keep going down while business soars upward has been one of the puzzles of investment markets for almost two years now. Traditionally the stock market is supposed to discount the future position of business and therefore of earnings and dividends. But something seems to have thrown this simple relationship off its track.

Probing for the explanation Business Week, New York business and financial publication, arrives at some interesting conclusions. In the first place stock markets are unwilling to capitalize earning power today the way they did even three years ago. Dividend yields are not valued on the same basis nor is the same relationship true between income on stocks and that on bonds as in the past. While common stocks have been sinking into new low ground for this year, quotations on best grade corporation bonds have been little changed and on government bonds have advanced fairly impressively.

This would be the normal situation if the outlook suggested that business were in for a tough time.



This is not true. Business is hitting all-time highs and the normal relationship is for a boom in business to start a climb in interest rates with a consequent decline in bond prices, and to boost stock values through anticipated larger corporate earnings.

* * *

The Handicaps

Never before in the history of the United States has it been necessary to do such a large volume of business to clear a dollar of profit, states Business Week. Taxes have never taken such a large share. Business has never before had so many controls on prices, on inventories, or earnings or taxation through the country's peacetime history. And on few occasions has labor exerted such a squeeze on the stockholder's stake.

Some of these are conditions which have arisen out of the war but others have been developing for some time past. The effect of each is uncertain and spells reluctance on the part of both speculators and investors to take any part in the stock market. Apparently it means nothing to the investor to point out that 577 common stocks listed on the New York Stock Exchange paid dividends last year and on current prices 288 of these yield from 7.2% to 12% on the basis of 1940 dividends. The fact that many well-known companies have near record or even record earnings in 1940 does not mean so much as the doubt as to what 1941 or '42 or later years may mean.

While best showing on the New York Stock Exchange has been made by certain definite war-babies, such as shipbuilding, shipping lines, arms and ammunition, as well as domestic airlines, a non-war category, investors would have been just about as well to have held stocks with little wartime appeal. Most of these would have shown a little depreciation in principal but the majority of war babies are lower too. Even more true is the fact that holders of consumer goods stocks would have missed the headaches arising from the wild ups and downs of the groups which alternatively enjoy favor and disfavor.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.7
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941:												
Monthly Figures:												
Jan.	77.6	74.1	72.3	51.6	110.6	96.8	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Weekly Figures:												
Apr. 3 ..	74.6	64.8	70.4	49.8	103.0	87.7	91.9	80.3	65.7	89.6	71.1	67.3
Apr. 10 .	73.7	64.8	68.3	50.2	102.3	88.2	89.5	78.4	62.0	89.3	68.1	66.5
Apr. 17 .	73.1	61.3	69.6	49.4	100.8	88.2	88.9	77.7	61.4	89.5	66.9	65.2
Apr. 24 .	72.8	60.1	68.5	48.6	100.8	90.2	88.7	77.3	61.5	90.2	67.2	65.1
May 1 .	72.6	60.9	66.4	49.0	99.3	87.9	85.0	75.9	61.8	90.0	66.5	64.5
Mo. ago .	74.6	64.8	70.4	49.8	103.0	87.7	91.9	80.3	65.7	89.6	71.1	67.3
Yr. ago .	100.7	121.5	107.4	69.4	135.4	113.4	109.8	102.4	91.7	101.8	91.8	84.5

*High and low for year from 1929 to 1940 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
May 6	88.13	96.45	60.50	17.73
May 5	87.57	96.42	59.97	17.46
May 3	87.64	97.14	60.22	17.47
May 2	87.95	97.29	60.80	17.47
May 1	87.74	97.43	61.44	17.68
Apr. 30	88.31	97.50	61.71	17.68
Month ago ..	93.63	103.05	65.68	19.06
Year ago	116.53	104.95	75.65	27.54
High 1941 ...	103.48	109.76	69.33	21.62
Low 1941 ...	87.57	96.42	59.97	17.30

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
May 6	43.9	52.6	49.7	61.52	73.88
May 5	44.0	52.9	50.0	62.53	74.00
May 3	43.9	53.1	50.0	63.00	74.10
May 2	44.1	53.3	50.2	63.00	74.24
May 1	43.9	53.7	50.4	63.38	74.24
Apr. 30	44.6	54.0	50.9	63.12	74.57
Month ago .	46.5	57.2	53.6	67.20	76.38
Year ago ..	64.2	80.4	75.0	135.72	82.21
High 1941 ..	54.3	66.4	62.3	82.25	79.99
Low 1941 ..	43.9	52.6	49.7	61.02	73.88

Quebec May Enter Insurance Field

From Our Own Correspondent

MONTREAL.—Entry of Quebec Province into the automobile insurance business, if the present probe of rates in the province unearths any discrimination, was hinted by Premier Adelard Godbout.

Mr. Godbout made the suggestion in debate of the bill authorizing probe into automobile insurance rates, which are substantially higher than in other provinces of the Dominion.

Can. Investment Fund Net Assets Value Drops

MONTREAL.—Net asset value per share of Canadian Investment Fund Ltd. stock at March 31 was 4.75% lower than at the end of 1940, Calvin Bullock, president, states in a letter accompanying dividend to shareholders.

The dividend of four cents a share was payable May 1 to shareholders of record April 15 in Canadian funds.

Abitibi Sale Battle May Be Resumed

(Continued from page 1)

ruptcy by judicial sale proceedings is something which the committee has to consider.

McTague Report Criticized

The Symington committee makes no secret of the fact that it does not like the recommendations included in the report of the McTague Commission. It regards as unfair any scheme that permits shareholders to get the company back under control merely by paying current interest for five years without specific provision for sinking fund or definite provision for present arrears of interest.

Spokesmen for shareholders, on the other hand, see in the Royal Commission's scheme a chance that failure to maintain working capital at $10.5 millions for six months is a threat that they would be wiped out by the event of a few months of poor earnings. In that case, they think, the quit claim would become effective giving bondholders full title to the assets.

Debt Now $85 Millions

The bondholders' committee takes exception to cutting off interest accumulations as at Dec. 31, 1940, when no definite provision has been made for settling previous accumulations.

As at June 1, 1941, there will be over $76 millions owing to bondholders for principal, interest and interest on overdue interest. This does not include the liability to meet this debt in United States funds according to the bond indenture. If the U. S. funds premium is added, the amount due bondholders as at June 1 next grows to just under $85 millions.

Undoubtedly, to renew the application for a judicial sale of the Abitibi Company would precipitate an involved legal battle. Such action would apparently have to be based on the interpretation of the legality or otherwise of the Abitibi Power & Paper Moratorium Act, 1941. This would be a matter for the courts to decide and in this alone a legal contest is almost assured.

Gatineau Revenue From "Hydro" Up

From Our Own Correspondent

MONTREAL. — Breakdown of consolidated gross revenue of Gatineau Power Co. for 1940 shows it received $4.2 millions from the Hydro-Electric Power Commission of Ontario, compared with $3.9 millions in 1939.

Power sales defined as deliveries to other organizations was the second largest item of revenue and totalled $3.7 millions, compared with $3.8 millions in the previous year.

Comparative breakdown of operating revenue and other income follows:

Operating Revenue:	1940 $	1939 $
Ont. Hydro-Electric ..	4,224,695	3,912,479
Other electric systems	699,621	635,069
Other power sales	3,712,952	3,806,635
Retail, dom., comm., etc.	815,556	772,497
Municipal lighting ...	57,298	54,989
Transport. revenue ..	75,417	56,806
Total oper. revenue ..	9,585,539	9,238,455
Other Income:		
Interest	10,652	9,576
Dividends	109,450	109,450
Merch. sales profit ..	29,997	28,177
Misc. rentals	17,587	14,113
Miscellaneous	25,797	21,801
Total other income ...	193,483	183,117
Total revenue	9,779,022	9,421,572

Company Reports.

American Cyanamid Co.

American Cyanamid Co. reports earnings for the first quarter of 1941 equivalent to 60 cents per share on the class A and B common stock. As compared with the corresponding period of 1940 operating profit increased from $3.7 to $5.2 millions, but the gain was largely absorbed by increases of approximately $300,000 for depreciation and depletion; $138,000 for research and development; $750,000 for income taxes; $100,000 for contingency reserve and $50,000 additional preferred dividends.

Consolidated Income Statement
Three Months Ended Mar. 31

	†1941 $	‡1940 $
Net oper. profit	5,220,012	3,668,392
Add: Divd., int. & disc.	166,416	137,377
Royalties, etc.	25,673	15,515
Other inc. (net)	405	36,887
Net earnings	5,412,506	3,858,171
Less: Depr. & deplet..	1,176,842	845,794
Research & devel. ..	738,302	601,711
Debt int. & amort. .	105,023	115,508
Income taxes	1,344,967	578,000
Prov. for conting. ..	350,000	250,000
Net profit	1,697,372	1,467,158
Less: Pref. divds.	106,857	58,515
Net applic. to com. ..	1,509,515	1,408,643
Earns. per Com. Sh. .	$0.60	$0.53
Shs. Outstand. with Public:		
Preferred	854,861	468,127
Common	2,618,364.4	2,618,368

†Subject to year-end adjustments.

‡After retroactive adjustments for higher taxes and contingency provisions as reflected in the audited statement for the year.

Note:—Net income as above does not include the equity in undistributed net income of associated companies 50% or less owned.

Tuckett Tobacco

As a result of higher income and excess profits taxes, and lower investment income, the $22,000 gain in operating profits of the Tuckett Tobacco Co. for the year ended Mar. 31, 1941, did not show in net profits. Net declined from $602,480 in the 1940 fiscal year to $471,105 in 1941, and working capital dropped approximately $200,000 in the period.

Income and Surplus Account
Years Ended March 31

	1941 $	1940 $
Net operating profit* .	562,428	540,233
Add: Invest. income ..	131,113	160,404
Net earnings	693,541	700,637
Income & E. P. taxes.	222,436	98,157
Net profit	471,105	602,480
Less: Pfd. divids.	140,000	140,000
Common divds.	300,000	275,000
Surplus for year	31,105	187,480
Add: Prev. surplus ..	2,536,409	2,349,424
Less: Prior yr. tax ...	24,759	495
Surplus forward	2,542,755	2,536,409
*After deprec. of	55,024	80,867
Earnings per Share:		
Preferred: Earned ..	$23.56	$30.12
Paid	7.00	7.00
Common: Earned ..	13.24	18.50
Paid	12.00	11.00
Working Capital		
Current assets	3,483,159	3,554,750
Current liabilities ...	568,834	441,824
	2,914,325	3,112,926

Viceroy Mfg.

Important increases in demand for the products of Viceroy Manufacturing Co. in the year ended Feb. 28, 1941, initiated a plant expansion programme estimated to cost $190,000. By year end, $67,427 had been spent on new buildings and equipment, and the programme is expected to be complete by the end of May.

Financing has been effected through refunding of previous funded debt of $275,000 outstanding at end of previous year, replacing with new first mortgage bonds to value of $625,000 at lower interest rates.

Income and Surplus Account
Years Ended

	Feb. 28 1941 $	Feb. 29 1940 $
Net earnings	250,182	214,282
Less: Depreciation ...	53,280	42,213
Exec. salaries	32,450	31,364
Bond int.	13,602	12,894
Income taxes	73,943	25,530
Inc. tax prior yr. ...	4,218	......
Net profit	72,689	102,281
Less: Int. inc. rts.	3,770	3,770
Pfd. divs.	21,600	22,620
Surplus for year	47,319	75,891
Add: Prev. surplus ..	170,957	110,366
Less: Red. inc. rts. ...	69,493	......
Inc. tax on rts.	6,032	......
Prem. bds. red.	5,932	......
Disc. bonds sold	19,038	......
Exp. re bond sale ..	3,587	......
Pref. shs. red.	......	15,300
Surplus forward	114,194	170,957
Earnings per Share:		
Preferred: Earned ..	$5.05	$7.10
Paid	1.50	1.50
Common: Earned ..	1.89	3.04
None paid.		
Shares Outstanding:		
Preferred	14,400	14,400
Common	25,000	25,000
Working Capital		
Current assets	553,042	435,197
Current liabilities	168,233	164,977
Working capital	384,809	270,220

Eastern Utilities

First annual report of the newly formed Eastern Utilities Ltd., covering the 11 months to Dec. 31, 1940, shows net profit of $42,165. Subsidiaries, include: Canada Electric Co., Eastern Electric and Development Co., Moncton Electricity and Gas Co., Maritime Coal, Railway and Power Co., and Joggins Coal Co.

F. B. McCurdy, president, states subsidiaries have had a successful year. Joggins Coal produced 100,445 tons, and this activity is continuing into 1941.

Income and Surplus Account
11 Months Ended Dec. 31

	1940 $
Subsid. dividends:	
Moncton Elect. & Gas	67,326
Canada Electric Co.	33,750
Eastern Elect. & Devel.	6,188
Loan interest	14,014
Rental	564
Total income	121,842
Less: Debent. int.	46,259
Loan int.	25,189
Taxes, fees, etc.	6,729
Net income	43,665
Less: Income tax	1,500
Deb. disc.	5,000
Pfd. divd.	7,562
Surplus forward	29,603
Working Capital	$
Current assets	133,836
Current liabilities	28,875
Working capital	104,961

MONTREAL TRAMWAYS BONDS

To the Holders of the General and Refunding Mortgage Sinking Fund Gold Bonds due 1955, of Montreal Tramways Company.

Montreal Tramways Company has announced that it will be unable to meet the payment of the principal of its First Mortgage bonds at maturity, on July 1st, 1941.

Under the terms of the Trust Deed of Hypothec, Mortgage and Pledge securing the General and Refunding Mortgage bonds of the same company, failure to meet the principal of the underlying security also involves a default in respect of the General Mortgage bonds.

A group of large institutional Bondholders has formed a Committee consisting of:

Mr. Russell D. Bell, President of Greenshields & Company Inc., Montreal.

Mr. Aristide Cousineau, President of Rene-T. Leclerc, Inc., Montreal.

Mr. René Morin, General Manager of General Trust of Canada, Montreal.

Mr. H. T. Roesler, Treasurer of the Imperial Life Assurance Company of Canada, Toronto.

Mr. Gerald G. Ryan, Managing Director of L. G. Beaubien & Company Limited, Montreal.

Mr. R. W. Steele, President and Managing Director of Asbestos Corporation Limited, Montreal.

No consideration has yet been given to the matter of asking the Bondholders to deposit their bonds, but it is important for the Committee to be able to communicate with the Bondholders. It therefore invites all Bondholders to advise the Committee, as soon as possible, of the amount of their holdings and of the series and numbers of their bonds.

Such information may be forwarded to any member of the Committee or to its Secretary, Mr. Jean Casgrain, 112 St. James St. West, Montreal.

The members of the Committee hold or represent a substantial proportion of the outstanding General Mortgage bonds and plan, for the protection of these Bondholders, to participate in the negotiation of any scheme of arrangement between Montreal Tramways Company and its Bondholders. They serve without remuneration and count on the support of the Bondholders.

Montreal, this 7th day of May, 1941.

Rene Morin, *Chairman of the Committee.*

Your LEADERSHIP *is needed*

in your Plant or Business to ensure 100% participation in the payroll deduction plan for WAR SAVINGS CERTIFICATES

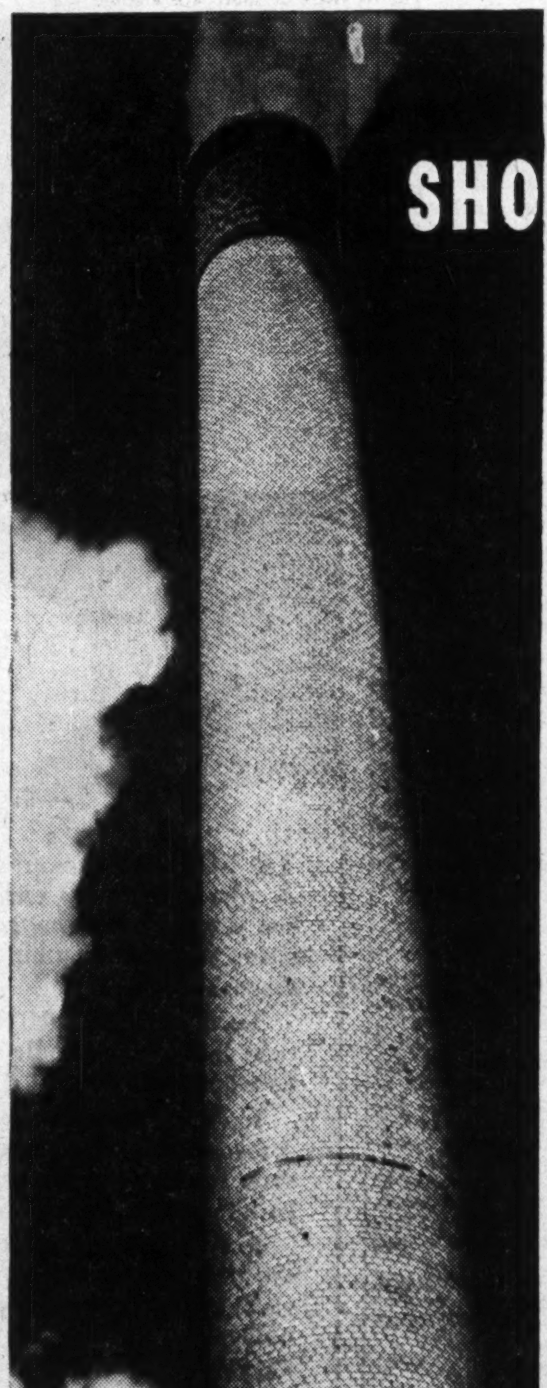
Employees are as concious as employers of the need for a continuous flow of money, week by week, month by month, loaned to Canada from payrolls of workers everywhere.

Canadians now realize that "blood, sweat and tears" is not a figure of speech. Your employees are ready to face the facts . . . they look to you for encouragement, co-operation and leadership in viewing our common — and costly — purpose in its right perspective.

They, as well as you, will be proud of 100% participation by your firm. You are asked to see that all employees pledge—then keep up their pledge and increase where possible.

Published by the

WAR SAVINGS COMMITTEE
OTTAWA



SHORTAGE OF TRAINED MEN?

There need not be!

● In the present emergency Canadian Industry cannot afford to slow down . . . or to be satisfied with anything less than capacity production.

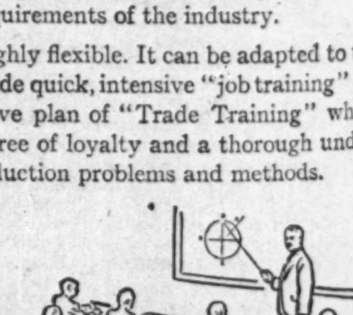
Yet, in many fields, a shortage of skilled Man Power exists . . . and threatens to develop bottlenecks which could seriously retard our war effort. This must not—and need not—occur.

For more than fifty years, International Correspondence Schools has been training men for industry. Hundreds of thousands have enrolled in the I.C.S. on their own initiative—without their employers' knowledge or encouragement. But the time is past when Management can wait for workers to acquire adequate training "on their own." Today, Management must show the way.

And, in many cases, Management *is* showing the way. In more than 2,200 industrial establishments in Canada and the United States I.C.S. Cooperative Employee Training Plans are in operation *right now.* Under these plans, with the cooperation of Management, student employees pay for their own training, and shop work and home study are related, directly and definitely, to the requirements of the industry.

I.C.S. Employee Training is highly flexible. It can be adapted to the emergency of the moment to provide quick, intensive "job training" . . . or it can embrace a comprehensive plan of "Trade Training" which builds into employees a high degree of loyalty and a thorough understanding of their employer's production problems and methods.

Ask us to send you an interesting bookled, "Ways and Means," and complete details of I.C.S. Cooperative Employee Training for your type of industry. Use the coupon or write us a letter outlining your requirements.



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Cooperative Training Division,
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Please send me, at once, without cost or obligation, a copy of "Ways and Means" and full information on your Training Program for my type of Industry.

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Company...

Address...

Bond Markets

Two Maturities Mooted For New Victory Loan

Short-term Issue Would Suit Industrial Lenders as in First Victory Loans — $300 Millions More For Bond Buying

Who will be the buyers of Canada's Victory Loan, 1941?

According to available information, the coming loan will be offered in units as low as $50, in contrast with the Second War Loan, where the smallest was $100. The bonds will probably again be purchasable on a deferred payment plan through the banks. In the first two loans, buyers could borrow as high as 80% of the purchase price, to be repaid in three months, interest charges being met by the coupon rate on the bonds.

That takes care of the small buyer, whose problem is chiefly one of financing his purchase. What of the larger investor?

Aside from the interest rate, the maturity of the bond is of major importance to the growing number of industrial companies investing in Government bonds. To such investors, bonds so purchased are generally regarded as contingent reserves. Excessively long-term issues, more subject to price fluctuation than the shorter term, might be selling at a discount when needed in an emergency.

Five-year Term?

From the Government's point of view, the logical term for the Victory Loan is thought to be from 15 to 20 years. Relatively few maturities fall between 1953 and 1962. A five-year, however, offers the advantage that it would likely be short enough to prevent major price fluctuations, long enough to provide the Government's current financial needs. If the war were still going after five years, the bonds could be extended.

There would be precedent for offering Victory Loan, 1941 in more than one maturity. The first Victory Loan of 1917 was for terms of five, 10 and 20 years; the second, in 1918 for five and 15 years; the third in 1919 was also for five and 15 years.

* * *

Background For Loan

The latest annual break-down of Canada's bank deposits prepared as of Oct. 31, 1940, just after the floating of the $300 millions of Second War Loan—hence, a figure which certainly does not err on the side of optimism—showed notice deposits down about $110 millions, demand deposits up about $120 millions.

Comparing the figures for the end of February, 1941, against those of September, 1940, the background is more favorable for the coming loan. Total deposits are up almost exactly $300 millions—despite the seasonal gain in the September figure. That should mean that if a $300 million loan was oversubscribed last September, a $600 million issue would do as well now.

There are similar indications in the long-term bond holdings of the Bank of Canada. The beginning of October, these holdings totalled over $153 millions. That total has been whittled down to around $117 millions—a drop of $36 millions. That would appear to indicate the bond market is absorbing bonds on balance, despite the larger total outstanding.

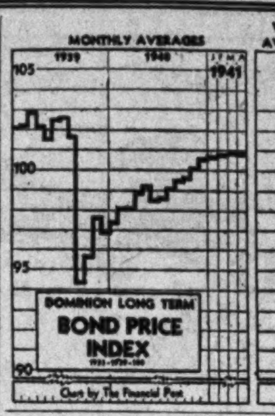
* * *

Bond Index

After remaining at 100.9 throughout April, the D.B.S. index of long-term bond prices advanced to 101 for the week ending May 1. At 101, the index is 1½ points above the corresponding week of last year.

DOMINION OF CANADA
Long-term Bond Index

	Weekly average Apr. 25-May 1	Preceding week Apr. 18-24	Weekly average year ago
Price	101	100.9	99.5
Yield	95.8	95.9	99



Norris Views Beauharnois

Tells Montreal Power Shareholders, Quebec Will Pay Fair Price

From Our Own Correspondent

MONTREAL. — Montreal Light, Heat & Power Cons. has "every reason to expect a fair and equitable price for all Beauharnois property if expropriated," according to a notice sent to shareholders by John S. Norris, president. He added, "we have every reason to expect fair treatment for our remaining rights and properties inasmuch as the Premier, Hon. Adelard Godbout, has publicly stated that it is not the Government's intention to injure in any way the investors in this or other utilities of the province, rather that their rights will be protected."

He said decline of Montreal Power stock in recent months is apparently due to the setback in market value of shares in general, and, the pronouncement of the Quebec Government of his intention to expropriate the Beauharnois plant.

Main reason for acquiring Beauharnois, Mr. Norris stated, was to provide a dependable and adequate supply of power for Montreal.

C.P. and C.N.R. Receipts Both Show 40.8% Gain

From Our Own Correspondent

MONTREAL. — Both Canadian National Railways System and Canadian Pacific Railway Co. reported increase in gross revenue in the nine-day period ended April 30 of 40.8% over the same period last year.

C.N.R. gross revenue for the period totalled $7.9 millions, an increase of $2.3 millions, or 40.8%.

C.P.R. reported total gross traffic earnings of $5.6 millions, an increase of $1.6 million, or 40.8%.

War Taxation Accents Duty Of Citizens

Insist on Wise Government Spending, Says President H. T. Hunter

The sharply increased scale of war taxation accented the right if not the duty of taxpayers, especially in wartime, to insist on wise and efficient spending of their money by governments, Horace T. Hunter, president of The MacLean Publishing Company, declared at the annual shareholders meeting this week.

Mr. Hunter emphasized this with figures showing results of the Company's operations last year. Total revenue for 1940 rose nearly $230,000 over the previous year, setting a new record for volume of business transacted.

At the same time total taxes—Dominion, provincial and local—amounted to $123,245, more than double the tax bill for 1936. In both years net profit was about the same, Mr. Hunter noted, though last year the ratio of net profit to total company revenue dropped slightly to 6.3% from 6.7% in 1939.

War Task of Company

In striving to contribute to the efficient prosecution of the war effort, Mr. Hunter said, the task of the company and its business publications went "beyond furnishing helpful news and technical information."

"It involves exposure of unwise methods, of carelessness, and incompetence," he continued. "It has not been an easy task. It is always more pleasant to praise people than to criticize them.

"In pursuit of our duty, we are bound to make enemies, even among the people we are trying to help. Such people have even called us 'saboteurs' and 'traitors'. We did not need to answer these charges. The daily and weekly press throughout Canada immediately sprang to our support to vouch for our sincerity and in most cases to approve the criticism we had made. Thousands of subscribers sent letters, telegrams and telephone messages commending our action.

"The sum total of this work means speeding up of both production and distribution of many lines of goods essential to our war effort. Much remains to be done and at this annual meeting of the Company we rededicate ourselves to do our utmost to bring about an all-out war effort for Canada."

London Staff Praised

Mr. Hunter paid special tribute to the staff of the Company's office in London, who had carried on, he said, "courageously and most effectively in spite of blackouts, transportation difficulties and bombing." He also reported that 24 members of the Company's staff had enlisted in the armed forces.

Reviewing the past year, Mr. Hunter noted particularly the establishment of the Company's pension plan. All employees under 60 with service of 10 years or more are eligible to participate, the Company matching their contributions dollar for dollar. The Company is presently contributing at the rate of nearly $20,000 a year. In addition the Company made an initial lump sum payment of $125,000, as the actuarial deposit to cover past service of employees with the Company more than 10 years.

During the year 10 employees purchased stock in the Company under the plan established a few years ago by Col. J. B. Maclean, founder and chairman of the Company, and there are now 56 shareholders with the "double interest of employees and of investors."

Since the last annual meeting, Mr. Hunter reported, two new publications had been started by the Company. These are Canadian Shipping & Marine Engineering News, to provide information of value in the wartime construction of cargo ships and naval vessels; and Heating Cooling & Piping, covering the air-conditioning and refrigeration fields.

Montreal Collections At High Levels

From Our Own Correspondent

MONTREAL.—Customs and excise collections at the Port of Montreal in April totalled $14.4 millions, an increase of $3.6 millions over the same month last year.

Total for April was the third best monthly figure on record, exceeded by $15.2 millions for last November, and $15.1 millions in October.

Bond Sales

Treasury Bills

Latest sale of Dominion of Canada Treasury Bills has again resulted in a new wartime low in interest rate on this class of security. The $35 millions issue has been sold at an average price of 99.85823, a cost basis of 0.582%, compared with the previous sale on a 0.586% basis. Bills are dated May 2, 1941, and mature July 30. The issue refunds a like amount of bills previously outstanding, leaves the total outstanding unchanged at $230 millions.

Victoriaville, Que.

Banque Canadienne Nationale is reported the purchaser of $90,000 of 4% installment debentures of the Town of Victoriaville. The issue is dated April 1, 1941, and will mature annually, April 1, 1942-61, inclusive.

ELECTED TO MONTREAL CURB

From Our Own Correspondent

MONTREAL.—Gilbert U. Burdett, partner of Laidlaw & Co., has been elected a member of the Montreal Curb Market.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Viceroy Mfg. ...	4½%	1952	July 1	103
Cons. Press.	6½%	1949	June 1	103
Shawinigan W..	†3½%	1946	May 15	101
Fam. Players .	‡3½%	1942	June 1	101
Morrison Brass	▲7½%	1947	July 1	101
Victoria Realty .	■6%	1948	July 2	102½
New Eng. Pwr.	*3½%	1961	May 15	103½
C. P. R. (note cert.)	4½%	1944	June 15	100½

Drawn by lot: †$3,000,000. ‡$350,000. ▲$9,000. ■$13,500. *$96,000.

Stock Issues:

J. S. Mitchell .. 7% Pref. June 5 †110

†Plus accrued dividend.

Bond Tenders

4 p.m., May 12, Hull, P.Q.—$188,000, 4 or 4½% bonds dated May 1, 1941, redeemable serially from May 1, 1942 to May 1, 1956. H. L. Leblanc, clerk.

—Photo Blank-Stoller.

FRASER COMPANIES NAME EXECUTIVES

Hubert H. Henderson (left), whose appointment as treasurer and credit manager is announced by Fraser Cos. Henry C. Noseworthy has been named secretary. Both men will act in similar capacity for subsidiary companies. Mr. Henderson has been assistant treasurer and credit manager for the last 10 years, while Mr. Noseworthy was appointed assistant secretary in 1933.

Buck Big Stick Labor Policy

(Continued from page 1)

minor though strike-causing dispute?

Disputes Act Extended

To understand the National Steel Car case and the general situation of which it has become a notable highlight, requires grasp of the Industrial Disputes Investigation Act's basic provisions. Passed originally early in the century, it normally applies only to disputes in the mining, transport and certain special industries. The Act has been extended by order-in-council to all war supply industries, contributory and auxiliary industries, or any officially deemed to be essential to the war effort.

It is unlawful under the Act for firms to declare a lockout or workers to go on strike "prior to or during a reference" of a dispute to a board of conciliation as provided for by the Act. But this is about the only mandatory provision of any importance in the Act. As long as there is no strike, parties to a dispute are left free to settle it by any means they choose. Either party "may" apply for a conciliation board if evidence can be submitted that a strike or lockout would occur failing settlement of a dispute, by conciliation or otherwise.

The Minister has discretionary power to set up a board without such an application, either on his own initiative or at request of municipal authorities when a strike is imminent or in progress. But he is compelled by the Act to establish a board upon request from a party to a dispute, if satisfied that the Act applies.

Operation of Boards

Boards consist of three members appointed by the Minister, one nominated by the employer, one by the employees, and an impartial chairman named by the other two. The Minister, may, however, appoint any or all members of the board directly, should employer and worker nominees fail to agree upon a chairman; or should either party to a dispute fail to designate a representative.

Conciliation boards are given fairly wide leeway in efforts to bring about settlements. They may seek to effect agreements through direct negotiation between the two parties, or with their own scheme.

These recommendations are not binding on either party to disputes, unless it has been mutually agreed on this when the conciliation board was set up. Once a board has made its report, workers are free to strike if they do not want to accept the findings, if the employer refuses to implement them, or if there is failure otherwise to effect a settlement.

Equally there is nothing in the Act that compels an employer to comply with unacceptable findings or proposals of boards, or to regard their advisory recommendations as orders.

But such a forcible status is being lent to board findings, employers state, by the Government's action in the National Steel Car case and by official pressure in other cases to induce acceptance of findings by employers.

Charge Discrimination

On the other hand, it is contended, similar pressure has seldom if ever been exerted from official quarters on workers, to settle a dispute by conciliation board proposals which favored an employer or were agreeable to him.

Nor has the Government acted firmly or decisively enough, it is felt in some quarters, to require workers to return to work when they struck illegally prior to conciliation board proceedings.

Recent alleged instances include the Oshawa woollen mill strike. Workers, engaged on war work, stayed on strike 10 days without the Labor Department doing more to enforce the Disputes Act than warn them it was an illegal walk-out and urge them back to work.

Another case cited is that of workers of Peck Rolling Mills, Montreal, who struck when a conciliation board found against their demand for higher wages. As far as is known, there has been no official action or pressure to induce the Peck strikers to accept the finding and return to work.

The contrast of this with the summary move against National Steel Car was explained by Labor Minister McLarty on the ground that the latter firm had vital war work in hand, while Peck did not.

Business fears continuance of these and allied policies merely encourages labor unrest and work delays. Some of these groups, it is declared, are intent on capitalizing on the war emergency to thrust unionization upon manufacturing industry, especially steel and basic industries essential to war supply. The impression is being created, it is alleged, that this unionizing drive has Government support, hitherto by methods of sympathetic persuasion and now, apparently, by forcible use of war emergency powers.

Unless a more decisive official policy is evolved and firmly administered with equal consideration to both groups in industry, employers see a threat of serious disruption of industrial relations, a serious jam in defense production, greatly increased war costs and a strong impetus for an inflationary spiral of wages that would affect all parts of the civilian population.

In some quarters Government policy to date is characterized as an "appeasement" policy. While committed to a ban on strikes before conciliation and a 1926-wage ceiling in war industries, the Government has also endorsed collective bargaining as a desirable basis for wartime industrial relations. It now appears ready to enforce this endorsement but employers lack confidence that enforcement is to apply impartially for management and labor.

Most employers appear reasonably satisfied with the enunciated policy of Ottawa as long as it is evenly and decisively applied, especially with regard to the wage ceiling, the ban on strikes, and provision for conciliation of disputes.

"Loading" Not Charged

There has been little or no complaint that conciliation boards have been "loaded" by partial chairmen, whether picked by the Minister or by mutual agreement between the management and labor representatives on the board. But as board findings are frequently not unanimous or acceptable to both sides, it is deemed dangerous to make them mandatory, enforced against both employers and workers.

Opposition to compulsory awards of boards has come from both management and labor. In the light of the practical and political obstacles to enforcement against workers, and the recent Government moves in the labor field, employers are not likely to press for a mandatory basis. And with several labor groups seeking to throw off wartime labor curbs in protest against some of the Government's policies, labor also is not apt to press for compulsory awards.

Industry contends that wartime wages, hours and working conditions have already been so sweepingly adjusted by the war that they afford few real causes for genuine dispute. In too many cases, it is complained, wage demands and other "grievances" referred to conciliation boards are not a genuine basis for dispute, but are fomented by labor organizers as means to bore into industry with union drives.

12-Year Peak For Beatty Bros.

Sales of Beatty Bros. Ltd. in the first six months of the current fiscal year have shown marked improvement over the same period a year ago, The Financial Post is informed by officials. At the present rate, volume of sales in the fiscal year ending Aug. 31, 1941, will be the highest in 12 years.

Collections have also improved to the best level in several years. The improvement is fairly general in all territories served by the company.

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

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CORRESPONDENCE invited by former Chief Accountant in Toronto head office of Dominion-wide organisation, who also has extensive technical and executive experience in civil and mechanical engineering operations on a large scale. Familiar with costs and costing systems, and acquainted at first hand with present-day Governmental costing requirements. Exceptionally able correspondent: fair but imperfect French. Well and favorably known in most principal Canadian cities from coast to coast. $3,600—$4,300 according to location and responsibilities. Box 74, The Financial Post, Dominion Sq. Bldg., Montreal.

POSITION OPEN

FOR LAWYER in well established firm of patent attorneys to take charge of branch office in Ontario. Enquiries invited. For further details apply Box Number 78, The Financial Post, Dominion Square Bldg., Montreal.

Quick decisions
. . . quick action

Less picturesque than smoking factory chimneys—less dramatic than moving production lines—less in the public eye—is the accounting that expedites and controls vast expansion in the national production program. But this accounting is none the less vital.

Quick decisions affecting orders, materials, production and shipments can be made when executives have figures while they are news, not history. Budgets, specifications, estimates and commitments backed up by accurate figures get quicker action.

Today—as for more than fifty years—business and industry rely upon Burroughs machines for the essential control figures.

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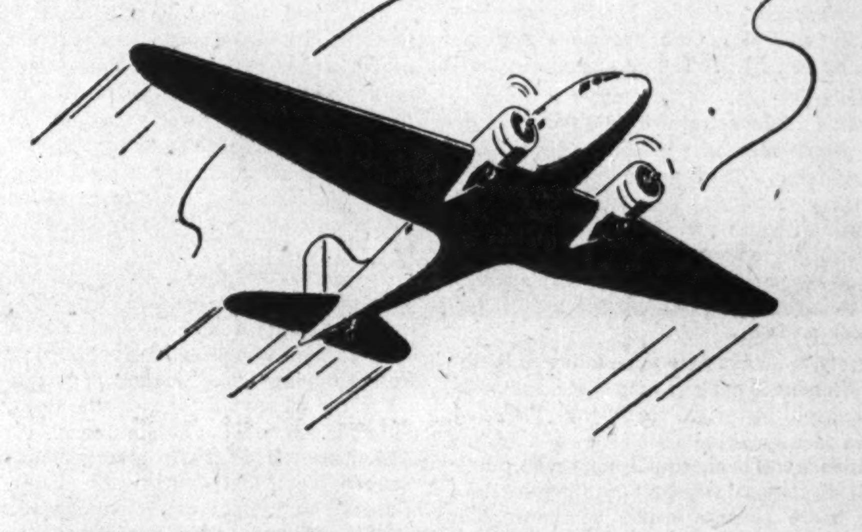

Petroleum Processing

THE development of high octane aviation gasoline, so essential for today's requirements, calls for a combination of various processes which must be integrated to secure the best results from any specified charge stock.

Foster Wheeler has been actively engaged, on a commercial basis, in this important development. The company's practical experience includes the engineering and construction of complete refineries and processing plants, in North and South America, Europe and Asia, for:

Isomerization
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Such knowledge is available to the Canadian Petroleum Industry for progressive improvements to secure economically the best products that today's conditions demand.

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The Editorial Page . .

"General Manager" of War Supply

Australia has appointed a businessman as the supreme manager of its war production effort. That is why Australia has made more rapid strides in increasing war industry production than any other country in the war.

Sir Robert Garran of Australia, in an article in The Rotarian, says:

> "We recognize further, that when business is turned over for a definite purpose, we must have one central executive to deal with it. Mr. Essington Lewis, of the great Broken Hills steel plants, is the man and has the power. We are not afraid of the word 'dictatorship.' An Australian soldier does not feel less a democrat because he places himself at the disposal of the nation. Our business feels no fear of losing itself when it does the same."

Canada is getting big results in war production. But there would be less risk of breakdowns if our own Minister of Munitions and Supply would do two things:

1. Give up some of his time-taking, energy-wasting sideshows, so that he could concentrate on broad matters of policy in war supply;
2. Appoint a superior type of industrial executive as the general manager of war supply, under his direction but with full authority to get results his own way.

Dollars Versus Understanding

When he got back from Hyde Park, Prime Minister King suggested that there might be some modifications of the restrictions on pleasure travel. Apparently his financial advisers, looking at the hard figures only and no doubt underrating the wider implications of neighborly understanding between the two countries, overruled him. Mr. Ilsley spoke strongly against any change. This will disappoint those who feel that it is desirable that more Canadians should be meeting their friends across the line, telling Canada's story.

If the Hyde Park Lease-Lend triangle deal works out well the travel ban may yet be modified.

The Public Responds to Leadership

Shy, retiring Finance Minister Ilsley probably expected to be the most unpopular man in Canada when he brought down his deep-digging war budget last week. Instead, he is widely applauded, almost as a national hero. Not one of the scores of Canadian newspapers reaching The Post have been even mildly critical of the enormous sacrifices demanded by Mr. Isley. The great majority have roundly approved.

This attitude demonstrates once again that the Canadian people respond wholeheartedly to courageous leadership. They are not afraid of bad news or heavy sacrifices. They did not expect to fight this war without them. The great majority of them want to get the war won and the bills paid just as quickly as possible. Mr. Ilsley, with a budget that plans to pay the bulk of those bills as incurred, is deservedly praised.

Here, surely, is an example to be followed by the whole government in dealing with other war problems that demand forthright treatment. The same courage and decision as have been shown in dealing with war finance will bring equally approving public response if displayed in respect to other matters.

A little more courage could be shown, for instance, in dealing with the operations of gangster chiefs who have edged their way into the ranks of Canadian labor leaders and are pulling unnecessary strikes in defense plants.

A little more courage could be shown in levying some of the costs of war on the customers of public-owned utility companies and co-operative organizations.

A little more courage could be shown in shaving down the government's own non-war expenditures.

A little more courage could be shown in the matter of raising men for the armed services.

A little more courage could be shown in discarding some of the weaker members of the cabinet in favor of men who could make a real contribution.

The public's response to Mr. Ilsley's courageous budget ought to be a source of inspiration to the Prime Minister and give him heart to deal more quickly with matters that have been the subject of "appeasement" and temporizing.

The Financial Post's Platform For War

1. *Strengthening cabinet leadership by drawing on Canada's best executive brainpower irrespective of political considerations.*
2. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
3. *Appointment of a non-political industrial executive with complete authority to organize and direct procurement of munitions and supply.*
4. *Pay-as-we-go policy to the very limit consistent with an all-out war effort.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *A national programme to deal with post-war employment and relief problems.*

Winning the war has become the focus for all effort, national or personal, in Canada. It requires full mobilization of the nation's material and spiritual resources.

To the fullest degree this should be achieved by individual effort, freely made.

Strong national leadership will inspire service and sacrifice. In turn this will reduce the need for regimentation and compulsion.

Preparing Now for Next Year's Taxes

It is to be hoped that the average citizen will heed Finance Minister Ilsley's advice and start at least in September to budget for the higher income taxes he must pay. Otherwise there is a nasty jolt in store next March, not only for the individual taxpayer himself, but also for business firms.

Income taxes are now on such a heavy scale that the payment of the year's total in any one month would certainly seriously dislocate any ordinary bank account. The opportunity afforded to people to make their payments on a regular twelve months' installment basis is a sound one and should be permanently incorporated in our income tax legislation.

The Bottleneck of U. S. Dollars

The Minister of Finance produced two figures that should be of intense interest to our good neighbors in the United States.

He showed that Canada went behind $225 millions in its dollar account with the United States in the last fiscal year. The government depleted its holdings of American dollars and gold by that amount to keep the books of the two nations in balance.

He showed, too, why we go behind. Our imports from the United States during the current fiscal year are expected to reach the huge figure of $953 millions. Nearly half of this, or $428 millions, will represent imports of war materials. From us the United States is expected to buy only $475 millions.

Canada continues to pay interest and dividends to American investors. That takes $238 millions of American dollars, against only $28 millions coming this way.

Canada has curtailed its imports of non-essentials from the United States. It has restricted pleasure travel. But the American people are getting more dollars than ever out of this country. From them we are buying "guns" instead of "butter."

For the current fiscal year the deficit in U. S. dollars is estimated at $478 millions.

The new Hyde Park arrangement will help Canada meet that deficit. Mr. Ilsley estimates Canada's own imports of war materials at upward of $215 millions. A lot of that can be charged to Britain's lease-lend account. In addition we are expected to sell the U. S. $200 millions or more of war materials. The two items together will come close to balancing the account. That in turn will help us to help Britain.

When Organized Business Helps

For years a portion of the public has mistakenly regarded various industry associations as organizations designed primarily to maintain high prices. This suspicion has been bolstered by political investigations made from time to time when elections were pending.

Now these much abused associations have come into their own. Ottawa has sought and gladly accepted their co-operation in prosecuting the war effort, has actually formed associations in certain industries previously lacking any connecting link.

Here are two illuminating pieces of evidence by G. K. Sheils, Deputy Minister, Department of Munitions and Supply, before the special committee of the House of Commons on War Expenditures.

> "These requirements (military uniforms) were so large that it was quite out of the question to call for tenders. We brought in an industry committee representing the textile industry of Canada, and after full and frank discussions with them secured their services in allocating these orders to the plants which they knew were the best fitted to produce the respective grades and types of cloth. Going on further, this industry committee then policed the performance of the contracts, and worked with us to see that the contractors lived up to their delivery promises."
>
> "Another example is the making of steel truck bodies. We have been receiving large orders for motor vehicle transport, and we practically organized an industry committee ourselves; that is, we asked the industry to get together and form a committee, and this committee then allocated very substantial orders to the companies in the industry for the production of these steel bodies, and they worked on a definite percentage limit of profit with a ceiling price. . . . We have been very much pleased with the performance of these industry committees where industries have them or where they will organize them, and they have been of great assistance to the department."

There is a real place for industry associations in peace or war. There are mutual problems that can only be ironed out through such organizations. As Ottawa has discovered, time is saved by dealing with these essential spokesmen of industry, in getting quick results, whether it is an order for half a million uniforms, or the location of a half dozen specially skilled craftsmen for some individual war research job.

Editorials in Brief

Nazi radio propaganda is all things to all men. A recent broadcast in the Hindustani language said:

> "The principles of the National Socialists require them to attain their political demands through non-violence."

* * *

Not since the early days of the British regime in Canada has the proportion of native-born Canadians been so high. Of the 7.8 million citizens over 16 years of age counted in the National Registration last summer five sevenths were native born. With that solid core there should be no danger in some assimilation of new blood again after the war.

* * *

A horrible fate awaits German soldiers in occupied Europe, according to reports filtering out through agents and escaped Poles, Czechs, Norwegians, etc.

A man whose job it is to co-ordinate information received from a variety of such sources says:

> "If the North Atlantic life line holds until September there can be no doubt of crushing defeat for Germany. When it starts, disintegration in Hitler's Europe will be rapid. But before British troops ever reach Berlin, that city will have been occupied by Polish and Czech mobs. There will not be a German left alive in the Balkans, Scandinavia, the Low Countries, Poland or Czecho-Slovakia—or for that matter, Italy. The seething hatred for the Nazis that they have generated by their own cruelties will start, some time before this war is over, a blood-purge of Nazis such as the world has never before seen."

* * *

These are wise words by the Citizens Research Institute of Canada:

> "The present is a time not only for economy but for retrenchment in ordinary public expenditures.
>
> "When the income of an individual is reduced or additional burden is thrown upon it, he may need not only to economize but to transfer part of his purchasing power from one object to another. The nation is not faced by a shrinking income. It is faced by the necessity of transference of purchasing power from ordinary goods to defense goods. The notion that we can continue to buy all that we bought before the war and, in addition, buy defense, is dangerous.
>
> "When evasions no longer avail, we will face the facts.
>
> "The time has come when men and materials must be transferred from peace to war industries and from ordinary public services—not absolutely necessary to maintain public health and efficiency—to defense services. We cannot safely take any other position. This being the case, public expenditure for ordinary current services must be reduced both by increased economy and drastic retrenchment. It is idle to say that this cannot be done. It can be done and it will be done when we are sufficiently convinced that we must choose between cutting levies for ordinary services and continued existence as an independent nation within the Empire."

Other People's Views . . . .

The Canadian Editorial of the Week

Taxation and Waste

Montreal Gazette

The Federal Government, in imposing heavy war taxation upon the people, and in asking the provinces to surrender certain taxation fields which are constitutionally theirs and which have been available to them ever since Confederation, has a responsibility of its own which the public will expect it to fulfil.

It must prove that the vastly increased sums it is taking from the people will be used in financing the war and in no instance will be diverted to the maintenance of unnecessary peacetime services or the exercise of party patronage. It should prove at the same time that in the war administration itself none of this money is being or will be wasted upon organizations which, if not purely ornamental, are certainly unnecessary.

The test in this respect can be applied very easily in the question whether or not the national war effort can be exerted just as efficiently and effectively without these organizations. The public think they have the answer and they look to the Government for the elimination of what they feel confident are out and out extravagances. Canada should be in the position of a ship that has stripped its decks for action, whereas these decks appear to be cluttered up with surplus personnel and there is a very lively suspicion that the ship itself is charted on the course of party patronage.

* * *

As Others See Us

Sinews of War

Halifax Herald

More extensive travel by "experienced Canadians" in the United States would make for "a fuller appreciation by Americans of our war effort" and counteract a "great and growing misunderstanding." Says The Financial Post:

> This promises to be a better tourist year. Well conceived promotion campaigns are being carried out in the United States by the Canadian Government and several provinces, as well as by railways and hotels. Now it is up to Canadian communities and individuals to see that the tourists, when they come, are well looked after. This will necessitate a well co-ordinated national and community effort in the field of "clean up, paint up"; improvement of accommodation and menus; avoidance of the offensive use of American flags, etc.

Let it be emphasized at once that to urge greater tourist trade for this country is not to suggest more play or time-wasting in wartime. This is a matter of the utmost importance as part of the Canadian war effort. Tourist dollars represent new money—and the more new money we can get into this country, to pay our war bills (much of which money will go back to the United States for war supplies), the stronger Canada will be as an Empire war-partner.

The Financial Post says: "Most unfortunate is the fact that a much-needed overhauling of the Dominion Government's organization for co-ordination of tourist activities has failed to materialize."

* * *

Cut Non-War Expenditures

The Financial News, Vancouver

The other week The Financial Post published a peculiarly apt cartoon depicting the Canadian Parliament pouring liquid money into the tank of Canada's armored car and the provincial political character siphoning it through a rubber hose from the tank into the provincial revenue bucket.

It was a picture that said as much as a thousand words, for that is precisely what has been going on in Canada—and until the Canadian people "get tough" with their provincial and their municipal governments which have been increasing their budgets to "tap" the greater supply of currency that is going the economic rounds in Canada, there will be diverted from war use much tax money that should have a more useful function.

* * *

What the Papers Are Saying

Should Tell Our Story

Ottawa Journal

From Parliament Hill comes word that the Department of Public Information is to be strengthened, its work extended especially with respect to the United States.

Such a step, if it comes, will perhaps not be too soon.

It is not a question of Canadian propaganda across the border; much less a question of Canadian interference in United States domestic affairs. What is called for, simply, are reasonably effective steps to have our neighbors realize that we are in the war and doing a fair job about it. Britain has been doing that in the United States, and so has Australia. There is equally good reason—perhaps even greater reason—that Canada should do likewise.

* * *

Prices and Wages

Country Guide, Winnipeg

Railway employees constitute one of the largest groups, if not the largest group, of workers in the Dominion. The country was considerably shocked when they demanded an increase in wages which would increase the wage bill of the two railways by eight or ten million dollars a year.

Many people who have every sympathy with labor feel that they have been over-hasty in making this demand, which they base on the rise of living costs. But until the general level of living costs increases more than it has up to the present, it is hard to see any justification for the railway workers' demand. They will have to rise a long way yet before the purchasing power of industrial wages is reduced to parity with farmers' returns. The times call for sacrifices, but the farmers see no reason why they should have to sacrifice more than other groups of workers in the country.

* * *

Co-operation is Imperative

Montreal Star

British Columbia's prompt, indeed almost instantaneous, co-operation with Ottawa in the matter of its personal and corporation income taxation sets a new example to the other provinces. Fortunately, Mr. Pattullo and his Finance Minister were in Ottawa and were willing to take the responsibility of an immediate and authoritative response for their province.

* * *

The Budget Convinces

Ottawa Journal

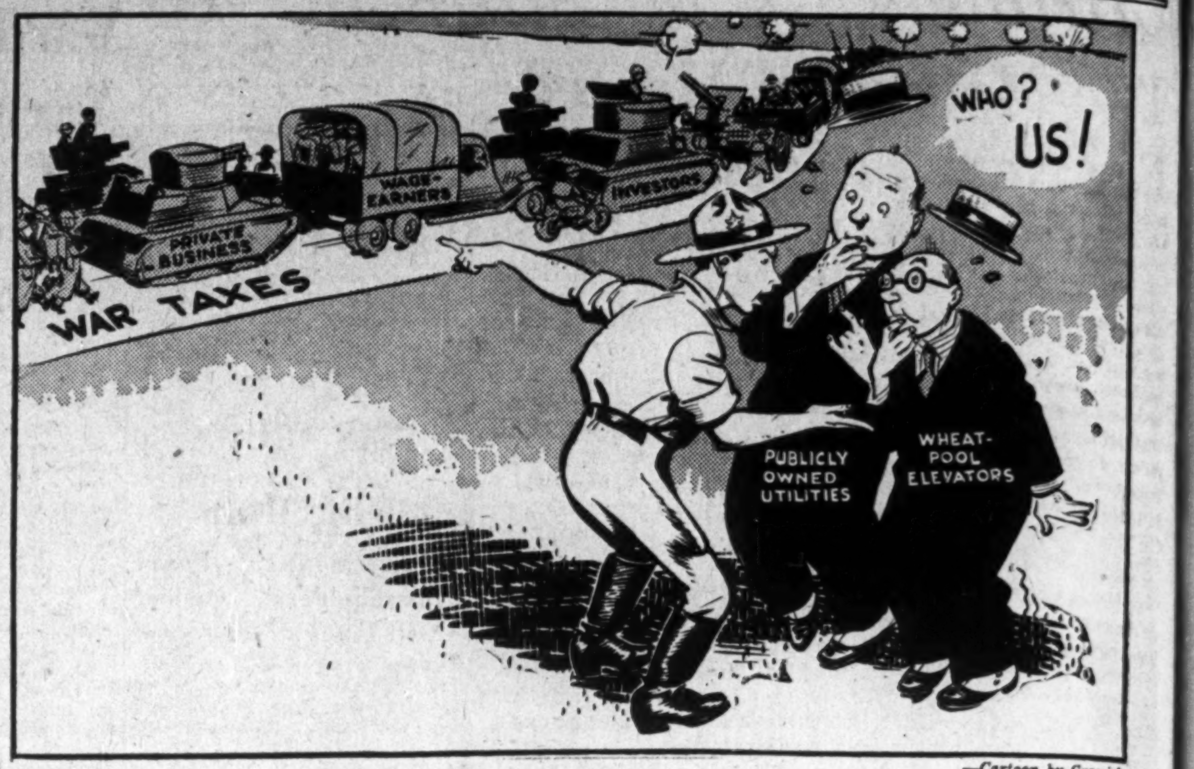
As they read and study the details of Mr. Ilsley's budget, the fact has dawned upon a great many Canadians that we really are at war and in the war—that we aren't fooling. Hit a man hard enough in his pocket, and he knows something has happened.

* * *

No Alternative Plan

Windsor Star

Granted that the Government has failed to produce any plan that could conceivably solve the wheat problem in Canada, the Opposition groups in the House of Commons have placed themselves in a weak position by their complete failure to make one suggestion of a better policy. It is their task, of course, to attack, but it is no less their duty to contribute something to the solution of national problems.



—Cartoon by Grassick

Canada: "How about doing your bit?"

Post-Scripts . . . .

Industry and Publicity

Appointment of Hon. Harold Connolly, 39, well known Halifax newspaperman, as Nova Scotia's Minister of Industry and Publicity, adds a dash of Fighting Irish to the Scot-dominated MacMillan cabinet. As Connolly's career was pointed toward some such post the selection comes as no great surprise.

MR. CONNOLLY

Although Scots have long been prominent in administering the affairs of the Atlantic province—there are no less than five of them in the present cabinet — there is precedent for inclusion of an Irishman. The late Walter J. O'Hearn and John Mahoney, Bobby Finn, and Michael Dwyer are cases in point.

So the set-up today is five Scots, one Englishman, a Frenchman, and an Irishman—an eight-man cabinet. Those who know Connolly feel the Irish will be well represented.

* * *

Connolly is probably the youngest cabinet minister in Nova Scotia's history. He is personable and aggressive, stands five feet five inches, weighs 150 pounds, possesses thick black hair, grey eyes, and a keen sense of humor. Tucked away in his retentive memory are a host of tales, many of them relating to his newspaper career and he has a way of telling them which captures attention.

This ability to spin a yarn had much to do with his start in politics. Between editing The Halifax Daily Star in years past he would report political meetings and on many occasions he not only "covered" the meeting but made a speech as well.

A lifelong Liberal, he ran his first election in 1936 against a Labor candidate, winning easily the seat in Halifax North which he still holds. He retained the seat in the general election of 1937, this time defeating a Conservative. In 1939 he became chief whip of the Liberal party and took a prominent part in debating in the House. Connolly's first plea in the House was in behalf of the Port of Halifax and he never loses an opportunity to oppose the federal policy of "remote control" of the port.

He is the eldest of ten Connolly children who were orphaned early in life. His father was killed in the Halifax explosion of 1917 and his mother died a few years later. Until the family grew up Harold played the rôle of godfather to his younger brothers. Three of his brothers are today in the Royal Canadian Navy and one of them is overseas. He is married and has four children.

He was educated in Halifax public schools and entered St. Mary's College with the intention of becoming a lawyer. He was in fact associated for a time with a Halifax lawyer but financial obstacles intervened and he took up journalism as a career. He rose to the position of business editor of the Halifax Daily Star, which post he held at the time of his recent appointment.

In his earlier days he was a bit of an athlete and at one time considered playing semi-professional baseball. He played shortstop for the old Halifax War Vets when he was in knickerbockers and also played ball for the Wanderers club. He is an ardent fight fan and can reel off the names of champions and their titles since "away back when."

He has devoted considerable attention to the tourist trade in recent years, having been a member of the Nova Scotia Tourist Committee and was affiliated with the local tourist bureau.

His new position will call for some pioneering. The industry department had only been in operation seven months before Industry Minister Hon. George E. Hagen died.

* * *

Imperial's Spokesman

The Canadian Club of Toronto went far afield for a new president last week. The man chosen was in Peru, 4,000 miles to the south. But Frank Prendergast just happened to be in Peru on business for Imperial Oil. He will be back at his Toronto office before many weeks and in between similar flying trips to other parts of Imperial's oil empire, he hopes to be able to introduce most of the Canadian Club's speakers for the coming season.

MR. PRENDERGAST
—Milne Studios.

Though his official title is assistant to the president, Frank Prendergast's real job is public relations man for Imperial. And even his acquaintances agree that this is an ideal example of the man and the job fitting perfectly. Here is a brief tribute from one of them:

> "While he accomplishes much, he gives the effect of effortlessness. He speaks quietly, expresses himself in few words and is unfailingly courteous. He is patient, but when his patience is tried too far he does not mince matters."

Like his predecessor, the late Victor Ross, Prendergast started as a newspaperman, in his home city of Montreal. He served as reporter at various times on four Montreal papers, the Herald, Star, Mail, and the News. After this training he joined the staff of the Toronto Mail and Empire and later was editor of Motor Magazine. Eventually he turned to advertising, heading the publicity division of Ford of Canada just before going to Imperial Oil as advertising manager in 1927.

Thus we have in one long, lean and dark individual that rare combination of reporter, editor and advertising man with a dash of book reviewer and art critic.

* * *

Sansorigine

The wife of a British army officer living in Toronto had a scheme whereby she kept tab on her husband's location. He was in a branch of the service that took him into out-of-the-way places. It was arranged that when he went to a new station he would send a brief cable which, of course, would carry the name of the town from which it was transmitted. This stunt worked beautifully until the day the wife received a cable from her husband at "Sansorigine." She could not find this place in the gazeteer. She knew he was in the Far East and went to the Toronto Public Library to consult more complete records of place names. There was no record of it. Finally she went to the cable office. For a while the cable officials were stumped until one bright lad suggested Sansorigine might be two words. With the breaking up of the word into "Sans Origine" the mystery was explained, also the workings of the military intelligence.

New Link With Brazil

The man Brazil has just sent to Ottawa to better relations between his country and Canada is one of the most colorful young men in Brazilian affairs.

His name is Joao Alberto Lins de Barros. A representative of The Financial Post spent several hours with him a few months ago in Rio de Janeiro.

Down there the new minister to Canada is about as well known as would be any Canadian mounted policeman who had roused the inhabitants from Noranda to Hudson Bay and up to the Yellowknife and had been key figure in the unseating of the present Ottawa Government.

SR. LINS de BARROS

Sr. Lins de Barros told about his rabble - rousing days in the back country. And added that one of the things he wants to do in Canada is get into the north country and get out to see the Rockies. When The Post man finally made clear to him the full meaning of "roughing it" he agreed that was precisely what he wanted—and, to see some of our Red Coats.

* * *

Sr. Lins (pronounced Leens) de Barros has been living in Paris, superintendent of Brazil's consular service in Europe; got chased out of there with thousands of others and still has his flat there on which he is paying rent. He admits that speaking English is difficult (his native language is Portuguese), but says he is buttonholing everybody that will talk it with him and hopes that in a couple of months he will be all right. His French, of course, is very fluent.

He was a young artillery officer when he became fired with zeal for the Vargas cause. Brazil is the third largest country in the world—after Russia and Canada—and his exploits with 1,000 troops far in the interior would do for a movie thriller any day. He has travelled thousands of miles by horse and foot leading his band. When his opponents jubilantly announced that the de Barros army had been surrounded and was on the point of capture somewhere around the Amazon jungles, the young artillery officer soon turned up hundreds of miles south raising friends, crushing enemies of the new regime.

Lins de Barros looks about 40 and tells of his adventures simply and with a boyish smile on his face as if the whole thing had been nothing more than a Boy Scout outing.

He has 10 brothers and when The Post reporter saw him had hopes of bringing the youngest of them to Canada to attend University. A daughter has been attending school at Washington, D.C., for some time.

* * *

Behind Sr. Lins de Barros and the man who worked out with Canadian authorities this exchange of diplomatic representatives is Foreign Minister Dr. Oswaldo Aranha—the most pro-British member of the Brazilian Government.

When interviewed in the Brazilian capital by The Financial Post, Dr. Aranha said:

> "There are many more things you can sell to us and many more that we can sell to you. Please tell your Government we would gladly give Canada special terms for doing business with us."

The Foreign Ministry occupies one of the old great palaces of Brazil, pinkish stucco and very Portuguese outside; very 18th century French and rococo and super magnificent within.

Sayings of the Week

"Until a world is established where little children can play in safety, where men and women can work in dignity and honor, and old men and women can face the sunset with peace in their heart, we and our brothers will never quit."—*Air-Marshal William A. Bishop.*

* * *

"First, we must figure the objectives for Democracy to offer Germany. Then, we must start bombing the devil out of Germany. The German people will then ask why they should keep Hitler when he can't win the war and only makes life miserable for them at home."—*James H. R. Cromwell, former American Minister to Canada.*

* * *

"For victory we need new tools. That is a challenge to our scientists, our inventors, and to every person of vision. If ever there was need for initiative and vision it is now. No one should hesitate to make suggestions. If one in ten thousand is worth while, that one may have the germ of some new engine of offense."—*Col. George Drew.*

* * *

"Be of good cheer. We are moving—moving faster and faster day by day. We'll be late—terribly late, perhaps—but not too late. America is now pledged to final and total victory over Hitler and his Nazis. We Americans know that we must contribute our full share of the 'Blood, toil, tears and sweat' needed for a common victory."—*Lawrence Hunt, New York lawyer.*

* * *

Stop Me If . . . .

A man travelling in South America entered a shop in the capital of a small state to buy a watch and chain. The watchmaker wrapped up the articles and with them a revolver.

"I say," observed the astonished traveller, "I didn't want a revolver."

The watchmaker said: "Why, you've bought a gold watch! You mean to keep it, don't you?"

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Airliners Go on Strategic Arctic Route

Canadian Civil Aviation Undergoing Dramatic Expansion

By RONALD A. KEITH
Editor, Canadian Aviation.

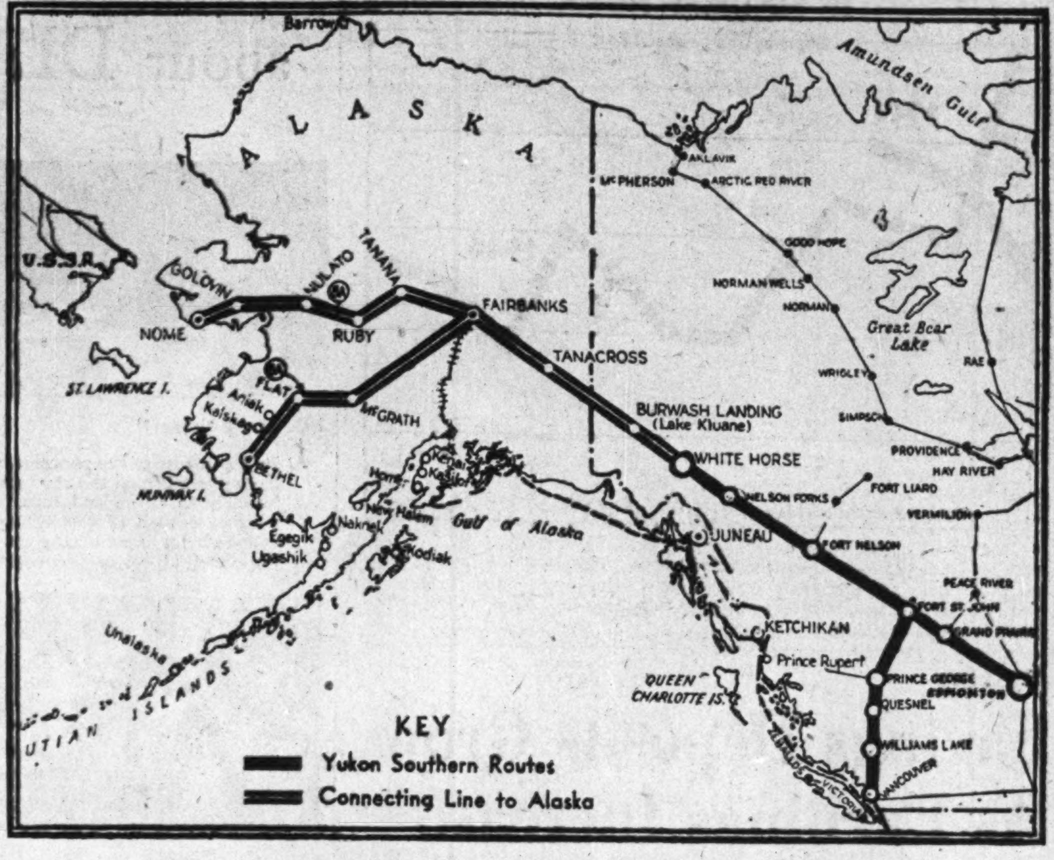
While military aviation and related industrial production in Canada climb on full throttle, it is surprisingly true that non-military flying also has been gaining altitude steadily. Airline speed, route mileage and traffic volume have reached an unprecedented ceiling since the outbreak of war. Even more remarkably, some of the bush routes have been attaining airline status.

All of this is notable because most of the country's energy has been concentrated on air force expansion and because the scarcity of aircraft, engines, and the men to maintain and fly them has been of famine proportions.

Today there is more and faster airline communication than ever in the history of Canada. The new Toronto-New York service climaxes a succession of wing-spreading achievements of Trans-Canada Air Lines since the outbreak of war.

First it was eastward from Montreal to Moncton. Then, a year ago, a second daily Montreal-Vancouver service went into effect. Last July, the Toronto-Windsor run was inaugurated and then a fourth round trip was added to the Toronto-Ottawa-Montreal service.

In the middle of last month daily T.C.A. service was extended further eastward to Halifax and the Maritimes. Now Halifax is just 24 hours from Vancouver and every main centre in Canada is served by air. Today there are 22 daily airline flights in and out of Toronto's Malton Airport.



Map shows strategic route now being flown by magnificent airliners—Vital link in all-Americas chain.

Time is a Bottleneck

The maintenance of a national airline through a desperate war emergency has been authorized for only one reason. Time, like other components of war preparation, is a bottleneck. Air service saves time.

As for expansion this has been possible through both good fortune and good management. T. C. A. was fortunate in obtaining delivery of six Lockheed Lodestars, fastest airliners in the world, to supplement the fleet of Lockheed Fourteens.

Somehow the new planes were squeezed out between the lines of Hudson bombers in the Lockheed Aircraft plant. That was good luck.

But the men to fly the lengthening routes were obtained by foresight and good management. Last October T.C.A. gathered some 30 young men under 25 years of age with commercial pilot's licenses and 100 hours or more of flying experience.

These fledgelings were put through an intense course of training at the main operating base in Winnipeg. Now they are providing the necessary supply of First Pilots. With more experience will be Captains in T.C.A. service.

There are now about 100 pilots with Trans-Canada and the present fleet of 19 planes gives a maximum seating capacity for 214 passengers.

Bush Route Matures

But there is another chapter in this story of Canada's commercial flying in wartime. It concerns the persistent evolution of a one-man flying concern to a struggling bush route, to a thriving airline.

Yukon Southern Air Transport, operating a network of air routes from Edmonton and Vancouver through northern British Columbia to Yukon, has just taken delivery of two Lockheed Lodestars. These planes, identical to T.C.A.'s latest equipment, will be in service on the famous Yukon route about the middle of May. They herald a new era in the annals of bush flying.

Back in 1931 there was Independent Airways, consisting of Grant McConachie and a battered Fokker, freighting fish to the end of steel in northern Alberta. Then there were three old planes and United Air Transport venturing into the tough wilderness northwest of Grande Prairie.

In July, 1937, McConachie flew a tri-motored Ford over the 1,200-mile route between Edmonton and Whitehorse, to establish a weekly mail service that linked Yukon Territory to the rest of Canada.

Over terrific obstacles this bush company has persevered. Now it seems to have arrived. With three twin-engined all-metal Barkley-Grow transports (capacity, eight passengers) two four-passenger Wacos, one four-passenger Beechcraft and the two 14-passenger Lodestars, the company is covering a network of routes totalling 2,565 miles. Its aircraft fly more than 7,000 miles a week.

When McConachie pioneered the route to Yukon he was dreaming of a short route by air to the Orient. From Chicago over this route, through Fairbanks, across the Bering Sea and down the China coast to Shanghai it is 4,500 miles shorter than via San Francisco and around the bulge of the Pacific Ocean.

Some day the route to the Orient will be flown. But in the meantime, the Yukon route has come into sudden focus as one of the most important strategic areas in the defense of this continent.

$1 Million Chain

Accordingly on recommendation of the Joint U. S.-Canada Defense Commission, $1 million is being poured into an airport chain from Edmonton to Yukon. By dog team, tractor train, scow and airplane they have been moving men and materials to the main sites, Prince George, Fort St. John, Watson Lake and Whitehorse. Soon there will be paved airports and the latest airway facilities. Then they plan to start on intermediate emergency landing fields.

More than an even share of the passenger traffic southbound over Yukon Southern routes originates in Alaska and flows via T.C.A. connections to Vancouver or Edmonton to American destinations. The northbound traffic to Yukon and Alaska is increasing rapidly.

With Yukon Southern's new equipment in operation at the end of this month, a man in New York flying via Trans-Canada to Edmonton, from there to Whitehorse and over the Pacific Alaska Airways connection will land at Fairbanks, Alaska in 27 hours. His fare will be $285.

Similarly Alaska will be 11 flying hours from Seattle, 16 hours from San Francisco and 21 hours from Chicago.

With the present development of airline travel facilities in the western hemisphere, you can fly from any main Canadian centre to northern Alaska or to southern Argentine as well as from the Atlantic to the Pacific in this country or the United States.

The Week in Business

Current business continues to expand with D.B.S. index of business activity for week ended April 26 showing successive increases over last year.

Railway carloadings in week ended April 26 above corresponding week of 1940. Total for year to date up 15%.

Railway gross traffic earnings for last 10 days of April up approximately 41% from year ago for both C.N.R. and C.P.R.

Construction contracts awarded in April slightly below last year. Total for four months up 52%.

Automobile sales in March show increases, in number of both passenger cars and trucks, compared with previous year. Total car sales for three months down 5.1%, total truck sales for same period up 23%.

Retail sales general index for March, 15% above year ago. Country store sales index up nearly 9%.

Wholesale sales index number 19% higher in March than in same month last year.

Flour production in first three months, 9% higher than in 1940.

Coal and coke production substantially higher in March than year ago. Totals for first quarter also up.

Trend of business shown by The Financial Post Business Index and following key factors, new items for week being marked thus▪.

TREND OF BUSINESS—	Apr. 26	Apr. 19	Apr. 12	Apr. 5	Apr. 27/40
Weekly index of business, D.B.S.	111.3	111.2	111.0	112.3	106.5
Commodity prices index no.	86.4	86.5	86.5	86.5	83.2
	Mar.	Feb.	Jan.	Dec.	Year Ago
The Financial Post business index	*150.7	152.5	154.6	152.9	132.9
▪Retail sales index no.	129.3	130.8	124.6	130.9	112.3
Dept. stores sales index no.	124.6	125.4	123.2	132.2	105.8
▪Wholesale sales index no.	124.3	110.5	106.2	125.0	104.1
▪Country store (% change pr. yr.)	+5.5	+4.4	+2.4	+3.8	+8.8
EMPLOYMENT INDEX Nos., D.B.S.	Mar. 1	Feb. 1	Jan. 1	Dec. 1	Year Ago
All industries	135.3	135.2	134.2	139.1	113.5
Manufacturing	150.8	147.4	142.5	144.7	122.6
Living costs weekly budget	$18.16	$18.13	$18.26	$18.22	$17.75
			Jan. 1 to date		%
RAILWAYS	1941	1940	1941	1940	Change
▪Carloadings (week Apr. 26)	60,593	50,636	931,067	806,297	+15.4
▪C.N.R. gross (week Apr. 30) $	7,912,856	5,620,850	89,347,366	71,040,279	+25.7
▪C.P.R. gross (week Apr. 30) $	5,588,000	3,970,000	62,067,000	47,682,000	+30.2
C.N.R. net revenue (Mar.) $	4,932,055	2,002,977	10,691,565	5,437,961	+96.6
C.P.R. net revenue (Mar.) $	3,246,075	1,501,561	8,520,406	5,302,488	+60.0
IRON AND STEEL—(March)—					
Pig iron production (tons)	102,038	91,772	296,288	283,507	+4.5
Steel ingots and castings prod. .... (tons)	195,481	157,326	554,482	464,165	+19.4
AUTOMOBILES—(Number)—					
Passenger Cars:					
▪Domestic sales* .. (Mar.)	11,272	10,481	23,727	24,999	—5.1
Factory output ... (Mar.)	12,093	12,025	34,730	37,383	—7.6
Trucks and Buses:					
▪Domestic sales* .. (Mar.)	3,389	2,515	8,130	6,605	+23.1
Factory output ... (Mar.)	13,951	4,587	38,219	14,635	+161.5
Financing:					
Used .... (Mar.) $	4,127,736	2,820,514	9,424,907	6,837,489	+37.8
New .... (Mar.) $	3,352,549	2,590,162	7,945,350	6,389,014	+24.4
CONSTRUCTION—					
▪Contracts awarded . (Apr.) $	23,567,200	25,905,000	88,843,500	58,244,700	+52.5
Cement prod., bbls. (Jan.)	283,000	191,000	....	....	+48.1
AGRICULTURE—					
▪Flour prod., bbls. .. (Mar.)	1,476,673	1,257,034	4,116,229	3,770,135	+9.1
Flour exp., bbls. ... (Mar.)	559,139	715,579	1,520,714	2,000,233	—23.9
Wheat exp., bush. .. (Mar.)	11,622,719	8,628,277	25,962,393	25,584,119	+1.2
Cattle sales▴ .... (Mar.)	71,188	64,934	223,645	209,547	+6.7
Hog sales▴ .... (Mar.)	481,667	354,408	1,525,394	1,119,661	+36.2
SEA FISHERIES—‡					
Catch, cwts. .... (Mar.)	407,300	456,550	1,280,000	2,620,150	—51.1
Landed value ...... (Mar.) $	562,230	425,600	1,667,630	1,840,800	—9.4
NEWSPRINT—					
Production, tons ... (Mar.)	275,769	251,279	782,674	734,134	+6.6
Exports .... (Mar.) $	10,811,336	8,984,203	30,898,378	27,012,093	+14.3
MINING AND OILS—					
▪Coal prod., tons .... (Mar.)	1,529,103	1,341,158	4,755,186	4,564,194	+4.1
▪Coal imports, tons .. (Mar.)	703,411	430,598	1,741,393	1,345,315	+29.4
Gold prod., fine oz. (Mar.)	426,842	355,371	1,300,324	1,128,691	+15.2
Crude oil prod., bbl. (Jan.)	802,700	486,900	....	....	+64.9
Crude oil imp., gals.† (Feb.)	63,266	50,128	118,463	114,619	+3.4
ELECTRIC POWER OUTPUT—(March)—					
Total monthly, 1,000 kw.h.'s	2,631,809	2,426,157	7,673,572	7,319,331	+4.8
FOREIGN TRADE—♦					
▪Imports .... (Mar.)	107,982,222	76,733,896	295,996,312	218,879,594	+35.2
Exports .... (Mar.)	102,995,261	83,465,140	292,480,254	246,633,048	+18.4
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. ...... (Mar.)	169,810	145,451	486,643	430,646	+13.0
Shoes, prod., pr. ... (Feb.)	2,215,864	2,279,562	4,116,949	4,353,090	—5.4
Cotton consump., lb. (Mar.)	16,803,419	16,060,216	49,086,877	47,661,320	+2.9
Raw rubber imp., lb. (Feb.)	8,073,008	7,373,877	21,595,715	18,679,104	+15.6
Cigarette cons. No.† (Mar.)	692,672	533,352	1,872,762	1,668,313	+12.2
Sugar manufactured .. lb.§	60,847,403	34,864,788	142,081,560	122,751,496	+15.8
FINANCE—					
Bank debits† ...... (Mar.) $	2,838,146	2,412,660	8,319,432	8,042,212	+3.4
Bond sales† .... (Mar.) $	42,789	92,115	239,386	529,037	—54.7
Life insurance sales (Mar.) $	33,700,000	30,265,000	93,526,000	95,811,000	—2.3

*D.B.S. All Canada figure covering over 90% of the Canadian total.
‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. *Final.
▴Total at yards and plants.
New items for week marked ▪
†000's omitted. §For four weeks to March 22. ♦Gold excluded.

Double Death Duties

Dominion Enters Field and Provinces Remain

Entrance of the Dominion Government into the succession duty field, announced by Finance Minister Ilsley in his budget address fulfills the forecast made in the Sirois Report that such a step might be taken in time of emergency.

Mr. Ilsley in his address stated bluntly that while this source of revenue has been used by provinces and not by the Dominion, neither had any exclusive legal rights to it.

While the Sirois report suggested that the provinces withdraw from the field in favor of the Dominion, no such suggestion was contained in the Finance Minister's speech. Instead, he definitely stated his belief that the provinces had not fully occupied the field and hence there was room for an additional and independent Dominion tax.

Accordingly, once the Dominion Succession Duty Act is passed, estates of deceased persons in Canada will be subject to the double inheritance taxes. And it is just possible that where property is spread over more than one province there might be more than two succession duties levied.

Lighter Than in Provinces

The Dominion tax as at present proposed was described by Mr. Ilsley as being lighter on the average than that in most of the provinces.

It provides an exemption of $20,000 for property passing to a widow. If she receives less than $20,000 she pays no inheritance taxes to the Dominion; if she gets more she pays only on the amount by which it exceeds $20,000. A widower receives no exemption and pays a higher tax rate.

Exemption of $5,000 is also allowed to children under 18 years of age, or older children dependent because of mental or bodily infirmity. There are higher tax rates for other children and grandchildren.

The Dominion Act cuts through the old classifications of heirs used by the provinces. Thus the typical provincial law divides all heirs into three main classes: preferred, collateral and stranger. The Dominion divides them into four: A, B, C and D.

The preferred class in the provinces includes husband or wife, parents, grandparents, children, grandchildren and children-in-law.

Widow and Young Children

Class A of the Dominion includes only the widow and children under 18 years of age or infirm children.

The collateral class of the provinces includes brothers and sisters, uncles, aunts, nieces and nephews, grandnieces and nephews and cousins.

The Dominion Class B includes grandparents, parents, widower, sons and daughters-in-law and children over 18.

The stranger class of the provinces includes remote relatives and strangers.

The Dominion Class C includes direct ancestors beyond grandparents, brothers, sisters and their descendants as well as uncles and aunts and their descendants.

Class D of the Dominion includes remote collateral relatives and strangers.

Larger Estate, Larger Tax

Like the provincial succession duties, the tax rate increases with the value of the estate. For an estate of $25,000 initial tax rate is 0.5% plus additional rates ranging from 2.5% to 4% for Class A to Class B. The initial rate for an estate of $100,000 is 2.5% with additional rates ranging from 5% to 8% for the different classes.

The Dominion law will apply to all property of those domiciled in Canada at time of death, with the exception of real estate in other countries.

Special exemptions are being provided for families of members of the armed forces where death is due to war service such as would entitle them to a pension.

Estates of less than $5,000 will not be taxable nor bequests of less than $1,000.

Newfoundland Codfish March Exports Lower

From Our Own Correspondent

March exports of salt codfish from Newfoundland were substantially lower than in the same months last year, due principally to elimination of Italy as an export market in the summer of 1940 and a sharp drop in exports to Puerto Rico.

There were 54,827 qtls. of bank and shore and Labrador fish shipped in March, compared with 139,431 qtls. in the same month last year.

In the nine months period ended March 31, exports of shore and Labrador fish amounted to 875,622 qtls., against 763,913 qtls. in the corresponding period last year.

Passenger Auto Sales Hold Gain

Sales of passenger autos in eastern Canada continue to hold above 1940, it is shown by Canadian Automotive Trade's report on new car registrations in Ontario, Quebec and the Maritimes. Registrations were up only 2% in March, but were 30% ahead of 1940 in the first quarter.

New Passenger Car Registrations In Eastern Canada*
Twelve Leading Makes for the Month

	—March—		Year to Date	
	1941	1940	1941	1940
Chevrolet .	1,812	1,410	3,483	3,195
Dodge	1,476	1,221	2,901	3,109
Pontiac	1,410	497	1,525	1,163
Ford	1,384	1,171	2,974	2,602
Plymouth .	1,268	1,019	2,474	2,617
Oldsmobile.	497	287	729	671
McL.-Buick	409	369	834	873
Mercury ..	377	290	906	674
Chrysler ..	317	322	705	785
DeSoto ...	121	154	255	420
Hudson ...	78	298	197	561
Nash	64	50	181	95
	9,213	7,088	17,164	16,765

*P. E. I. not reported.

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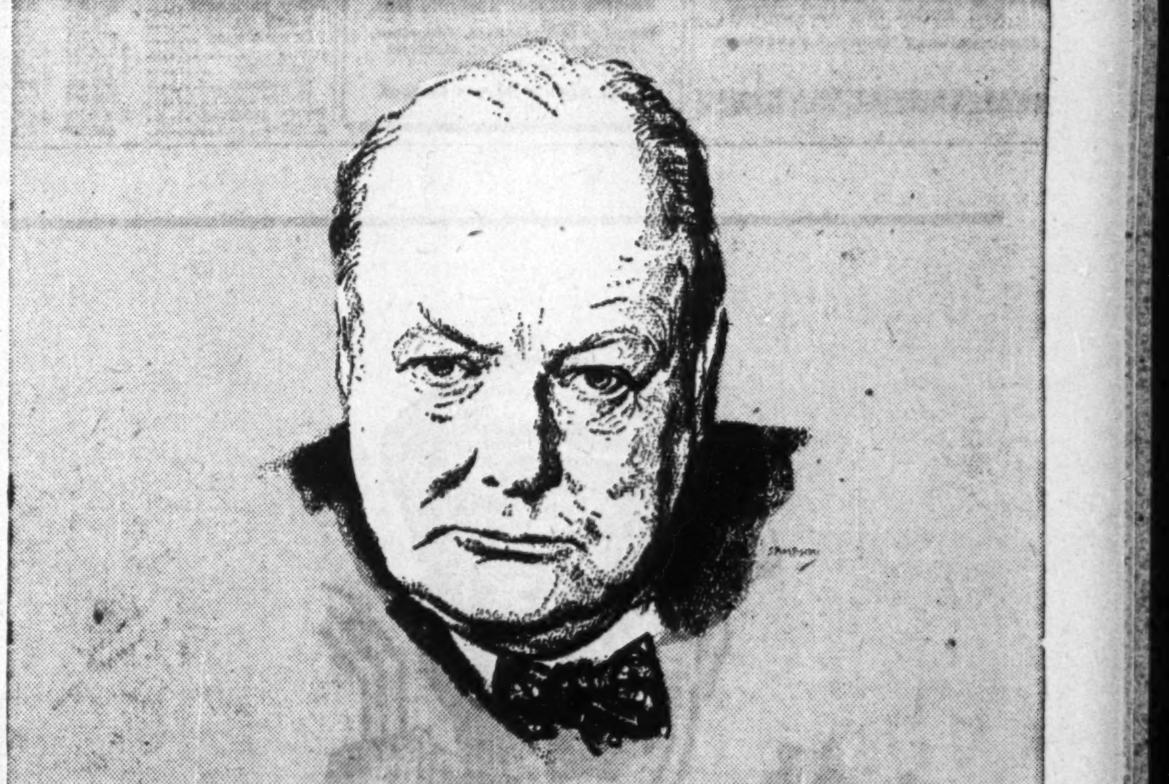

"If I had my way..."

"If I had my way, I would write the word 'Insure' over the door of every cottage, and upon the blotting book of every public man; because I am convinced that, for sacrifices that are inconceivably small, families can be secured against catastrophes which otherwise would smash them up for ever. It is our duty to arrest the ghastly waste not merely of human happiness, but of national health and strength which follows when, through the death of the breadwinner, the frail boat in which the fortunes of the family are embarked founders and the women and children are left to struggle helplessly on the dark waters of a friendless world."
— Winston Churchill

It is good citizenship to own Life Insurance

THIS MESSAGE IS SPONSORED BY LIFE INSURANCE COMPANIES OPERATING IN CANADA

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ONLY LOW PRICE CAR WITH ALL THESE FEATURES: Automatic choke • Multi-ratio steering • Economatic overdrive* • Twelve body colors • Bedford cord or canda cloth upholstery • Fresh-air Climatizer with windshield defroster* • Planar independent suspension • Glove compartment lock • Non-slam rotary door latches • Twin tail lights • Bumper guards.
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YOU ARE LIABLE—
BE SURE YOU ARE ADEQUATELY PROTECTED—
Insure with
THE GENERAL ACCIDENT GROUP
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Staff Changes

The Canadian Bank of Commerce announces the following staff changes:

C. W. E. THOMPSON, Manager, Warner, Alta., to be manager, Red Deer, Alta.

G. A. SUTHERLAND to be manager, Smoky Lake, Alta.

A. H. CARMICHAEL, manager, Mount Pleasant, Vancouver, to be manager, Fairview, Vancouver.

C. W. LOTH to be manager, Mount Pleasant, Vancouver.

W. A. MacKENZIE, manager, Smoky Lake, Alta., to be manager, Warner, Alta.

United States Fidelity & Guaranty Company
TORONTO

FIRE INSURANCE WITH Dividends YEAR AFTER YEAR

Under the Northwestern Mutual plan, dividends paid policyholders in 1940 totalled $1,463,589. Since organization over $27,900,000 has been returned to policyholders.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
CANADIAN HEAD OFFICE · VANCOUVER

Life Insurance

Industrial Business Increases in Canada

Designed to Serve Needs of Small Wage Earner —Mode of Collection and Higher Death Rate Adds to Cost

Total premium income on industrial life insurance in Canada last year was $39.2 millions, slightly higher than in the previous year. New business written, however, was up 25% and business in force increased over 3%. It now stands at $928 millions. The volume of business has approximately doubled in the last 10 years.

In Canada there are only five companies writing industrial insurance. These are the London, Metropolitan, Prudential of America, Royal Guardians and the Toronto Mutual. Two others the Excelsior and the Mutual Life and Citizens of Australia have industrial policies in force on their books but have ceased writing new business.

Policies for small amounts may be had by payment of premiums as low as 10 cents a week. These policies are often sold without medical examination. The premiums are collected at the door of the policyholder each week. For the insuring company, the costs of doing this type of business are high. Another factor in the cost is that the death rate is higher than in other branches of insurance.

At least one of the companies selling industrial insurance in Canada has been endeavoring to use the plan to get people to buy larger policies. This has resulted in the average industrial policy of this company being considerably above that for the whole country.

INDUSTRIAL INSURANCE IN CANADA

	Net premium income		New business		Business in force	
	1940	1939	1940	1939	1940	1939
	$	$	$	$	$	$
Excelsior	67	81	......	......	4,180	4,835
London Life	7,091,374	7,010,324	43,045,935	18,110,436	210,703,598	189,659,496
Metropolitan	19,589,338	19,551,468	46,037,666	40,989,080	432,296,262	421,312,638
Mut. & Citizens	628,903	637,075	610,146	2,707,495	15,925,979	17,942,403
Prudential	11,737,193	11,774,065	27,723,114	27,315,995	263,516,954	262,992,748
Royal Guardians	16,172	17,113	66,800	65,685	478,739	477,330
Toronto Mutual	175,333	152,707	1,526,859	1,511,104	5,539,148	4,772,463
Total	39,238,380	39,142,833	119,010,520	90,699,795	928,464,860	897,161,913

Insurance Notes

Alexander MacDonald, general manager of the Royal Exchange Assurance Co., in London, Eng., has been appointed a member of the War Damage Commission for the United Kingdom, formed to administer the real property section of the War Damage Act. He is well known in Canada, having been Canadian general manager of the Royal Exchange 1928 to 1930. He returned to England in 1930 to become joint secretary at the home office and was made general manager in 1931.

* * *

The Canadian Underwriters Association has published a booklet telling the story of board insurance, "what it is, what it does and what it means."

It states that the objects of the Canadian Underwriters Association are:

To reduce the cost of doing business through the companies pooling their experience.

To keep rates at the lowest levels consistent with sound business, while giving the widest protection possible.

Among the services the association gives it mentions the testing and development of fire prevention apparatus and the assistance given in planning buildings and municipalities to reduce the fire hazard.

The WAWANESA
Mutual Insurance Company
Organized in 1896
Assets $2,894,436.70
Surplus 1,513,855.65
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Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton
2,000 Agents Across Canada

Insurance Report

Commercial Life

Business in force with the Commercial Life Assurance Co. at the end of 1940 was $10.4 millions—more than $576,000 higher than at the close of the previous year. New insurance written was almost doubled at $1.8 million and total assets reached a new high level at almost $2.7 millions. The company has had a continuous increase in assets ever since it started business.

Premium income at $325,056 was but slightly above the previous year. But total income was down over $4,000. This is explained in the report by the organization of a monthly premium department since the company moved to Toronto. As a result, few premiums were received in full in 1940. But full premiums will be received in 1941.

Policy payments during 1940 were up about $24,000. Policy reserves were up almost $100,000.

	1940	1939
	$	$
New insurance	1,814,075	973,705
Ins. in force	10,413,041	9,836,947
Total receipts	504,146	508,325
Premiums	325,056	324,433
Interest	116,632	111,217
Policy payments	283,935	259,905
Death claims	72,234	66,396
Other claims	211,701	193,509
Assets	2,697,721	2,646,380
Securities	1,642,913	1,447,211
Mortgages	268,882	297,625
Policy loans	328,804	330,382
Policy reserves	2,033,543	1,956,706
Surplus	443,613	471,714

Fire Insurance

Agents Classed Not Employees

Exemption From Jobless Insurance Dues Is Asked by C.U.A.

The Canadian Underwriters Association has made representations to the Unemployment Insurance Commission that agents of their member companies should not be required to contribute as employees to the Unemployment Insurance fund.

A. Leslie Ham, manager of the Canadian Underwriters Association at Montreal, appeared before the Commissioners and argued that:

The agent is not an employee of the insurance company but an independent contractor.

It is difficult to conceive of the relationship of master and servant existing between two corporations and many producers of insurance are corporations, as, for instance, large firms of brokers.

Some agents are in the business merely to augment an income from some other source or engage in it as a business complementary to another occupation.

Payment of the agent indicates that he is an independent proprietor because the agent, after selling a policy, often accounts to the insurer for the premium less the commission, whether or not the premium has been paid to him.

Few agents represent but one insurer. Most of them are free to place business with companies other than those they represent.

It is understood the Commissioners were sympathetic to the plea.

In the Unemployment Insurance Act it is provided that where an agent paid by commission, fees or a share in profits is dependent mainly on some other occupation or represents more than one employer he should be exempt from the provisions of the Act. This, it is considered, applies to fire and casualty insurance agents having contracts enabling them to receive commissions from more than one company or to derive income from some other employment.

Bank of Canada Assets Higher

Investments and Foreign Exchange Holdings Rise Deposits Up

Rise of $17 millions in holdings of sterling and United States exchange is seen in the statement of the Bank of Canada for the week ended April 30. This is evidently the result of payments from abroad for war supplies.

Total investments of the Bank were down almost $7 millions, the decline being in short term issues. As other items were about the same as at the end of the previous week the net result was that total assets were about $10 millions higher.

This was offset on the liability side by increases in total deposits, notes in circulation and miscellaneous liabilities.

	Apr. 30 1941	Apr. 23 1941
	$	$
Capital paid-up	5,000,000	5,000,000
Notes in circ.	372,596,683	370,651,541
Rest fund	3,722,910	3,722,910
Depos.: Dominion	18,247,671	10,414,286
Bank	228,856,788	224,769,096
Other	3,770,168	6,132,585
Total deposits	250,874,627	241,315,967
All other liabs.	5,248,439	6,067,234
Total liabs.	637,442,659	626,757,652
Assets		
In sterl. & U. S.	133,994,324	116,148,766
Subsid. coin	799,305	824,924
Investments:		
Dom. gov. short.	372,484,405	380,022,242
Other Dom. gov.	118,150,758	117,363,327
Total invest.	490,635,163	497,385,569
Premises	1,737,751	1,730,651
All other assets	10,276,116	10,667,742
	637,442,659	626,757,652

Bank Chat

Closing one chartered bank branch and opening of one is reported in the latest issue of the Bank Directory of Canada. The branch closed was the Montreal at Stettler, Alta., and the one opened, the Royal at Debert Military Camp, N.S. Since the directory was issued the branch of the Canadian Bank of Commerce at 324 Broadview Ave., Toronto, has been closed.

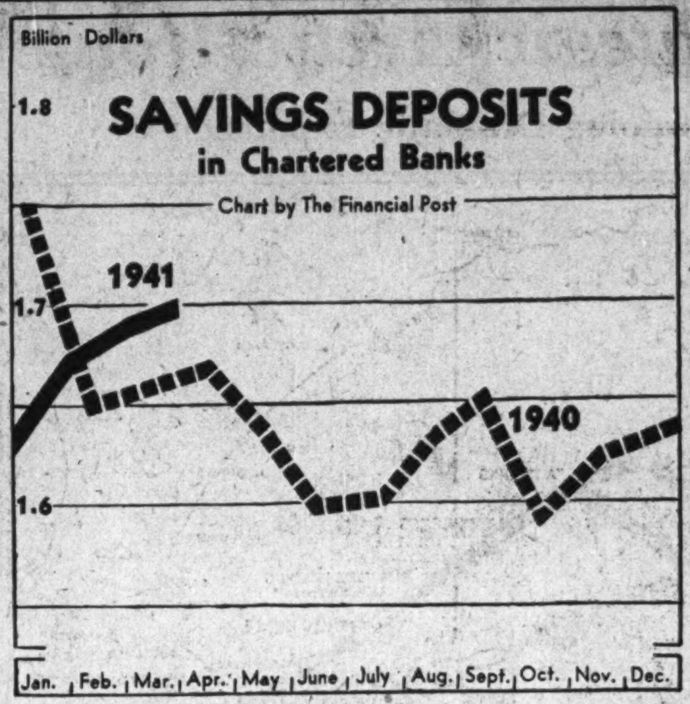
* * *

The branch of the Bank of Toronto at Van Horne and McEachran Avenues, Montreal, is now established in new and larger quarters. The increased accommodation was found necessary owing to the growth of the bank's business in that section of Outremont.

The bank has 12 branches in Montreal, the first office there having been opened in 1856, the year after the institution was incorporated. This is the second time within a year the bank has found it necessary to increase facilities in Outremont, the branch at Bernard Ave. and Hutchison St. having been opened about a year ago.

Weekly Bank Clearings

	May 1 1941	Change Year Ago	Apr. 24 1941
	$	%	$
Halifax	3,937,061	+16.0	3,767,322
Saint John	2,423,626	+10.4	2,586,567
Moncton	886,830	+8.5	934,009
Sherbrooke	979,085	+51.0	820,642
Quebec	4,906,010	+7.4	4,645,154
Montreal	107,470,799	+1.0	101,094,451
Ottawa	40,720,621	+22.8	42,912,726
Kingston	656,737	+6.2	735,693
Peterborough	662,487	+13.0	678,135
Toronto	122,400,586	—15.6	120,945,548
Hamilton	7,924,399	+21.0	7,445,696
Kitchener	1,231,655	—12.0	1,266,054
Brantford	1,066,159	+6.0	1,018,244
London	2,747,081	—1.6	2,406,563
Chatham	672,437	+2.1	555,100
Windsor	3,532,047	+24.4	3,886,811
Sarnia	414,430	—4.8	491,784
Sudbury	1,260,760	+11.4	1,041,848
Fort William	931,044	+25.5	1,075,450
Winnipeg	54,789,417	—62.2	56,056,968
Brandon	394,562	+15.4	390,948
Regina	6,103,963	+9.0	3,882,654
Moose Jaw	648,593	+5.4	623,298
Saskatoon	1,610,861	+12.6	1,563,280
Prince Albert	383,165	+6.1	384,634
Edmonton	5,348,466	+32.0	5,079,816
Calgary	7,146,352	+28.4	7,362,992
Lethbridge	631,490	+34.6	532,472
Medicine Hat	228,115	+6.6	300,030
N. W'minster	852,414	+24.8	821,097
Vancouver	19,308,026	+8.4	18,589,601
Victoria	1,780,152	+1.4	1,983,794



The chart shows how savings deposits have increased by over $100 millions since the second war loan was floated last fall. The first and second war loans issued in January and September, 1940, were paid for in February and October, causing substantial declines in deposits. Since October there has been a steady rise.

Banking

Savings Deposits Grow As Earnings Increase

Savings deposits of over $1.7 billions, in Canada, are shown in the return of the Canadian chartered banks to the Minister of Finance, as at March 31. This is an increase of $15.6 millions over the previous month, and $41.5 millions over the same month of 1940. It is also a gain of $103 millions since Oct. 31 when, owing to subscriptions to the second war loan coming due, savings deposits fell to $1.5 billions.

The upward trend in savings deposits is attributable to fuller employment and larger earnings. This is the fifth consecutive month to show an increase and as the volume of business is well maintained a further gain is expected when the return for April is received. The April figures, however, will probably also reflect withdrawals by individuals in payment of income tax.

Demand deposits were down less than a million for the month but up $300 millions on the year. The total gain in deposits accordingly was $14.7 millions over February and $342 millions over March a year ago.

The higher level of deposits generally provide a larger reservoir of funds from which subscriptions to the coming war loan may be obtained.

Loans Higher

Commercial loans during the month rose $8 millions over February and $31 millions over last year. This rise was accomplished in spite of the large cash resources of many industrial companies which enables them to finance their own operations. Bankers say, however, that the average rate of interest obtainable is lower than a year ago, which offsets the advantage of having the larger amount out on loan. Call loans were slightly higher on the month, but lower from a year ago.

The Financial Post Credit Index, which is the ratio of current and call loans to savings and demand deposits, was up slightly from the previous month, but lower than a year ago.

Use of Bank Credits in Canada
(In Millions of Dollars)

	March 1941	February 1941	Change	March 1940	Change
Loans	1,149.8	1,137.4	+12.4	1,167.1	—17.3
Investments	1,766.0	1,787.8	—21.8	1,699.1	+66.9
Total	2,915.8	2,925.2	—9.4	2,866.2	+49.6
Deposits	2,753.2	2,738.4	+14.8	2,401.7	+351.5
Credit index*	38.1%	37.9%	+0.2%	42.9%	—4.8%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

	March 1941	February 1941	Change	March 1940	Change
	$	$	$	$	$
Immediately Available Liquid Assets					
Canadian coin	6,911,597	7,214,166	—302,569	4,931,679	+1,979,918
Bk. of Can. notes	80,615,795	73,077,482	+7,538,313	57,335,563	+23,280,232
Bk. of Can. depos.	207,997,352	213,074,761	—5,077,409	202,321,099	+5,676,253
Bank's cash	295,524,744	293,366,409	+2,158,335	264,588,341	+30,936,403
Other banks' notes	3,278,676	2,342,064	+936,612	4,224,702	—946,026
Gold & sub. coin abd.	2,857,510	3,174,200	—316,690	3,850,635	—998,125
Foreign banks	182,599,025	181,374,337	+1,224,688	178,590,539	+4,008,486
Foreign curr.	28,912,096	28,883,184	+28,912	31,594,996	—2,682,900
Gov. sec. short term	739,716,431	771,431,213	—31,714,782	605,733,117	+133,983,314
Do., long term	787,234,916	777,453,890	+9,811,026	704,276,253	+82,988,663
Call loans abroad	49,508,336	38,662,435	+10,845,901	50,681,982	—1,173,646
	2,089,661,734	2,096,687,732	—7,025,998	1,843,545,565	+246,116,169
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	92,058,929	92,195,426	—136,497	98,470,847	—6,411,918
Public secs.ᵻ	51,509,228	49,450,976	+2,058,252	75,875,961	—24,366,733
Other secs.	95,456,724	97,231,399	—1,774,675	114,673,539	—19,216,815
Can. call loans	35,110,370	33,932,073	+1,178,297	51,841,911	—16,731,541
Current loans	1,015,263,785	1,006,445,346	+8,818,439	984,161,915	+31,101,870
Loans abroad	131,881,809	132,830,274	—948,465	147,957,823	—16,076,014
Prov. loans	12,267,397	12,582,217	—314,820	17,698,151	—5,430,754
Mun. loans	87,087,654	84,472,919	+2,614,735	113,316,450	—26,228,796
	1,520,635,896	1,509,140,630	+11,495,266	1,603,996,597	—83,360,701
Other Assets					
Non-current loans	5,791,289	5,759,967	+31,322	8,106,727	—2,315,438
Real estate	7,049,221	7,112,199	—62,978	7,641,639	—592,468
Mortgages	3,518,431	3,562,559	—44,128	4,028,061	—509,630
Premises	70,643,757	70,763,895	—120,138	71,955,614	—1,311,857
Letters of credit	75,758,360	74,113,832	+1,644,528	56,833,519	+18,924,841
Loans to comp.	10,876,603	10,969,189	—92,586	11,101,872	—225,269
Other assets	2,158,527	2,156,266	+2,261	2,640,088	—481,561
	175,796,188	174,437,907	+1,358,281	162,307,520	+13,488,668
Total	3,786,093,818	3,780,266,269	+5,827,549	3,609,849,682	+176,244,136
Note circ. dep.	4,840,785	4,837,050	+3,735	5,077,153	—236,368
Int. bank bal.	119,037,885	134,186,870	—15,148,985	100,157,724	+18,880,161
Gross	3,909,972,488	3,919,290,189	—9,317,701	3,715,084,559	+194,887,929
LIABILITIES					
To the Public					
Circulation	83,467,245	82,439,057	+1,028,188	92,032,556	—8,565,311
Dom. Govt.	154,641,560	174,902,868	—20,261,308	264,610,519	—109,968,959
Prov. Govt.	64,441,142	75,453,803	—11,012,661	48,705,007	+15,736,135
Deposits by Public					
Demand dep.	1,050,469,802	1,051,429,537	—959,735	749,513,021	+300,956,781
Savings dep.	1,702,704,381	1,687,027,047	+15,677,334	1,661,151,503	+41,552,878
Total	2,753,174,183	2,738,456,584	+14,717,599	2,410,664,524	+342,509,659
Foreign dep.	410,771,610	410,058,386	+713,224	466,519,688	—55,748,078
Due to Banks Abroad, Etc.					
United Kingdom	24,417,891	22,338,377	+2,079,514	24,778,289	—360,398
Foreign	29,896,432	28,220,733	+1,675,699	38,458,169	—8,561,737
Bills payable	15,079	15,079	....	211,505	—196,426
Letters of credit	75,758,360	74,113,832	+1,644,528	56,833,519	+18,924,841
Other liabs.	5,260,364	6,563,951	—1,303,587	4,378,391	+881,973
Total pub. liabs.	3,601,843,866	3,612,562,670	—10,718,804	3,407,192,167	+194,651,699
Due bet. banks	9,316,913	8,633,572	+683,341	8,744,959	+571,954
Liability to Shareholders					
Dividends	1,525,350	2,282,334	—756,984	1,442,796	+82,554
Reserve	133,750,000	133,750,000	....	133,750,000	....
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	3,891,936,129	3,902,728,576	—10,792,447	3,696,629,922	+195,306,207

ᵻOther than Canadian.

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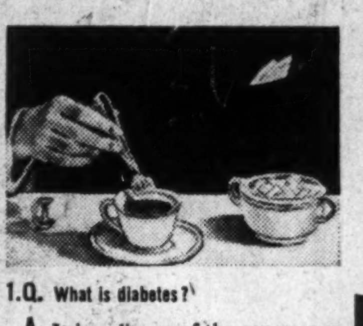
How much do you know about DIABETES?



1.Q. What is diabetes?

A. It is a disease of the pancreas, a large gland behind the stomach; in diabetes this gland fails to produce enough of a substance called insulin to permit the body adequately to use or store sugar.

2.Q. Can anybody have diabetes?

A. Yes. People of all ages, sexes, and conditions. But . . . the people it strikes are usually overweight and between the ages of 40 and 60. Also, it occurs most frequently among those who do not lead active lives. A tendency to develop diabetes seems to run in certain families. And the disease is more common among women than among men.

3.Q. Do diabetics live as long as other people?

A. That depends largely on the patient. Diabetes ranks 8th among causes of death. There is no known method of actually curing the disease. But . . . the diabetic whose disease is discovered early; who promptly puts himself under and stays under his physician's guidance; and who masters the details of his treatment, stands a good chance of living as long as he could reasonably expect to live without diabetes.

4.Q. Is there any way to guard against diabetes?

A. Yes. The simplest and most effective guard for adults is to keep below average weight. Another important precaution is to have periodic, at least annual, physical examinations *with urinalysis*. If possible diabetes is indicated, a blood sugar test will aid discovery before other symptoms appear, and effective control of the disease can be begun.

5.Q. What are the symptoms of diabetes?

A. The commonest symptoms which call for immediate medical attention, are: excessive thirst; excessive appetite; unaccountable loss of weight following excessive weight; constant unaccountable weariness and irritability; in older people, boils and carbuncles.

6.Q. When diabetes is discovered, how is it controlled?

A. By proper diet, insulin, and exercise—each of these factors being adjusted by the doctor to the individual patient's needs.

7.Q. How can I find out more about diabetes?

A. By asking your doctor, Metropolitan's practical, free booklet "Diabetes," which contains much helpful information, will be sent upon request. Address Booklet Dept. 5-F-41, Canadian Head Office, Ottawa.

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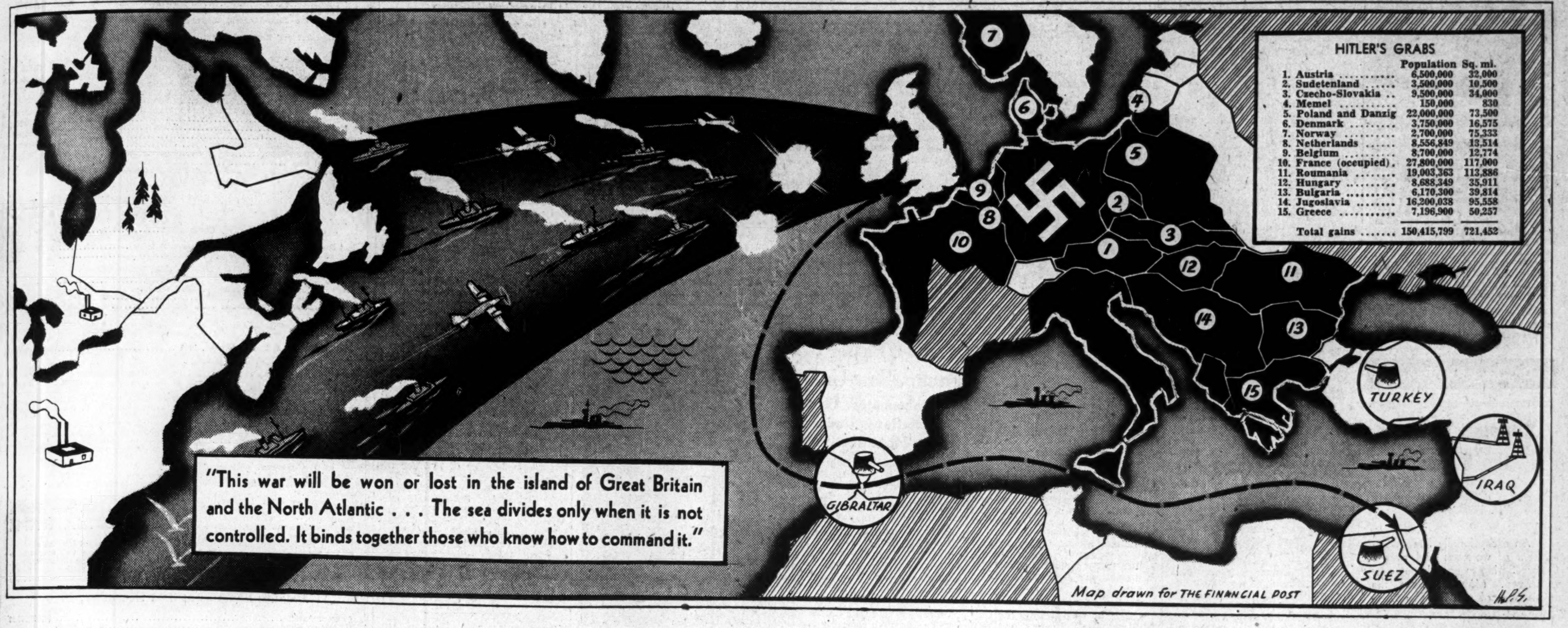

HITLER'S GRABS

	Population	Sq. mi.
1. Austria	6,500,000	32,000
2. Sudetenland	3,500,000	10,500
3. Czecho-Slovakia	9,500,000	34,000
4. Memel	150,000	830
5. Poland and Danzig	22,000,000	73,500
6. Denmark	3,750,000	16,575
7. Norway	2,700,000	75,333
8. Netherlands	8,556,849	13,514
9. Belgium	8,700,000	12,774
10. France (occupied)	27,800,000	117,000
11. Roumania	19,003,363	113,886
12. Hungary	8,688,349	35,911
13. Bulgaria	6,170,300	39,814
14. Jugoslavia	16,200,038	95,558
15. Greece	7,196,900	50,257
Total gains	150,415,799	721,452

"This war will be won or lost in the island of Great Britain and the North Atlantic . . . The sea divides only when it is not controlled. It binds together those who know how to command it."

Map drawn for THE FINANCIAL POST

Major George Fielding Eliot Writes—

The Where and the How of Victory

Major Eliot, author of this article written expressly for The Financial Post, is the celebrated military authority for Columbia Broadcasting System and Life Magazine.

By MAJOR GEORGE FIELDING ELIOT

The Balkan campaign has ended, and Germany is master of all the Balkan peninsula save European Turkey. Gibraltar remains the only British foothold on the European continent. The Axis forces in North Africa remain stalled at the gates of Egypt, but a diversion appears in Iraq. It is an appropriate moment for taking stock of what has happened, and may happen, in the Mediterranean; and of its effect on the course of the war as a whole.

Nothing in the Mediterranean, past, present or prospective, affects the fundamental fact that this war will be won or lost in the island of Great Britain and its waters of access and approach—the North Atlantic Ocean.

These waters are of vital importance, not only to the people of the United Kingdom, but to those of the United States and of Canada. Nothing less than absolute and unquestioned command of those waters and of the air above them ought ever to be contemplated by the English-speaking folk who live on their shores, and whose vital centres are connected by these air and sea lanes.

This is the true life-line of the English-speaking race, far more so than ever was the route to India.

Shrewdly, Hitler has perceived this fact, and there he is making his major effort to divide, physically and psychologically, the people of English speech who live in the British Isles and those who live in North America. But, like most Germans, he deals more efficiently with physical matters than with the psychology of other peoples. And there are indications that the harder he tries to separate those two parts by physical effort, the closer they draw together in mutual co-operation to prevent such a separation.

To this fundamental struggle, on the outcome of which in all probability hangs the future of our civilization and the fate of the world, the events in the Mediterranean are of importance only as they affect the conditions in the North Atlantic, either in the material or the moral field.

Perhaps it is in the latter that they may be of the greatest consequence, for in the rise and fall of public spirit on both sides of the Atlantic, consequent on victory or defeat, in comparatively minor theatres, wider issues may come to depend.

Certainly a wave of defeatism, ingeniously exploited, swept over the United States as a result of the German gains in Jugoslavia and Greece, and the loss of Cyrenaica. It was all the greater in its effect because of the unduly high hopes which had been built on the Jugoslav defiance and the defeat of the Italian fleet. This wave is now receding, and good news of any sort would drive it back still farther.

Meanwhile, we may usefully ask ourselves just how do matters stand in the Mediterranean area? The basic fact there is the collapse of Italy. As a military factor in the war, Italy is no longer of any consequence, save as Italian territory serves as a base for German operations, or as Italian resources may, to such extent as their nature permits, be employed under German command. The Italian empire in East Africa is gone. In Libya, a none-too-large German force, with some Italian "auxiliaries," is at the Egyptian frontier. Its position is precarious with Egypt rapidly being reinforced in front of it, with the fortress of Tobruk standing unconquered in its rear and open to reinforcement from the sea, with the British fleet ranging along its flank and with a long, weary 1,000-mile line of communications to Tripoli, from whence its communications with Italy are again threatened by British sea-power.

There seems every chance that this Axis force may suffer a severe defeat, if not complete disaster—or so it seemed up to a day or two ago.

Now we have a new factor in the situation—the diversion in Iraq. This could easily be serious for the British command in the Middle East, whose chief oil supply comes by the pipe line from Iraq to Haifa, in Palestine. Of course, there is oil in Persia, and in the Bahrein Islands; but that oil must be brought to Egypt in tankers at a time when every ton of tanker capacity is almost worth its weight in gold.

As to the outcome of the Iraq situation, it depends on three factors, all unknown: (1) the strength of the British forces in Iraq; (2) the effectiveness with which they are handled; (3) the extent to which the Iraqi army and people give real and effective support to the intractable premier, Al Gailani. There is perhaps a fourth factor, the amount of Axis aid which Al Gailani can obtain.

This seems likely to be measured by the amount of previous planning which has gone into this new revolt in the desert, and especially depends on whether and to what extent the Axis powers have assembled supplies, men and weapons in Syria, where the situation has long been confused and uncertain.

The Iraq affair, if quickly settled, will make little difference. But, if it is a long drawn out business, if it interrupts the oil supply of the British Middle East Command, above all, if it shows signs of spreading into a general Arab movement directed against the maintenance of British authority in Egypt, Palestine and Transjordon, it may prove most serious and even catastrophic. One is inclined to the theory that it is a flash in the pan and will be quickly dealt with. But it is never safe to be too sure of easy defeat of any scheme in which the Germans have had a hand.

Meanwhile Turkey, with the Nazis at her European gates and the Iraq revolt flaming at her back door, is in a difficult position. When all is said and done, the Turkish attitude toward the war will doubtless depend on two factors—the influence of Russia, which, it is safe to predict, will take account solely of Russian objectives, and ability of Great Britain to maintain her sea command of the Eastern Mediterranean.

This last depends on the fleet base at Alexandria, suitable advanced bases at Crete and Cyprus, and ability to defend these bases against German land and air power. If the Germans are decisively defeated in North Africa, Alexandria is again safe for the time being, and the Turks might possibly be brought to resist an attempt by the Germans to get at Suez through Turkish territory. Again, however, the course of events in Iraq must be taken into account.

Syria is also important to Turkey, both as a position threatening her Asiatic frontier, and because possession of Syria would give her direct rail communication with the centre of British power in Egypt. One might almost predict that some change in the status of Syria may soon be brought about; probably would have been brought about already save for the complexity of the political questions involved.

Meanwhile, such further intentions as Germany may have in the Mediterranean remain unknown, though the rumor mill in Berlin grinds busily. Turkey, Spain, Morocco, Syria, Egypt—Hitler may strike at any of these, or none. The truth remains—unshaken—that the war will not be won or lost there, that Hitler cannot win unless he conquers Britain, that he can conquer Britain only by effectively cutting Britain's communications with North America.

In this decisive theatre the basic conditions are these: The resources in raw materials, foodstuffs and manufactured goods of the non-European world are open to Britain, and denied to Germany. In particular, the war production of American plants, of greater potential capacity than those of all continental Europe, is available for Britain; and these plants cannot be bombed, while Germany's can.

Thus in the end, America and Britain must attain superiority in armament over Germany, provided that the base from which this armament can be used against Germany, the island of Great Britain, is not conquered by Germany before the American industrial plant has been completely switched from peace production to war production. This is the time limit within which Germany must win, or be denied any hope of winning. She can conquer the island of Great Britain only by so weakening the British defenses and the British will to resist as to make invasion possible. Invasion now would be doomed to defeat. Such weakening cannot be accomplished by air attacks alone. It must be accomplished in the main by the severance of Britain's vital supply lines.

Can Germany do this? She has excellent positions, far better than in the last war. She has the invaluable eye in the air to aid her U-boats. She has more U-boats than ever, and they have so many ports of exit that the mine is less effective against them than it was in 1914-18, while mass mine warfare again requires an industrial allocation which Britain alone cannot provide. And Britain is denied the all-important Irish bases, without which the defense of the western approaches of the British Isles is so terribly handicapped. Finally, the congestion of the few ports remaining open in Great Britain is enormous; all these ports are under heavy air attack; shipping losses are heavy, and the global tonnage of available shipping is seriously reduced by ships laid up for repair in overworked, congested, bomb-pocked shipyards.

I think it is a fair estimate of the situation to say that Britain alone—the British Commonwealth of Nations alone—can hardly hope to overcome these difficulties. Only the whole-hearted and all-out participation of the United States in the struggle can now ensure the defeat of Hitler. By this I do not mean some half-measure, some palliative such as a patrol to Greenland with orders not to shoot. I mean the employment of American armed forces in such measure as may be necessary to safeguard the vital sea-lanes of the North Atlantic Ocean, to secure our flank in West Africa and the Atlantic Islands, to defend our interests in the Far East and to support Britain's hold on the sea-gates of the Mediterranean.

In the last analysis, the genius and the tradition of the English-speaking race lies on the sea, and in the command of the sea lies the key to their security.

That command can no longer be divided between them, nor participated in by others. It must be exercised in combination by all who speak the English tongue, and who, between them, hold every vital maritime position of the world. There can be no question as to the imperative necessity of this being realized in the United States, in Canada, in Great Britain, in Australia and South Africa and New Zealand. The sea divides only when it is not controlled. It binds together those who know how to command it.

Action now to ensure that command—action in the future to use that command first as the basis of victory, then as the basis of a just and lasting peace—this is the hope of the future, the hope of freedom and justice, the hope of survival of all for which our forefathers struggled and won with their blood. It is the last hope and the only hope. And the time for its realization grows shorter day by day and hour by hour.

Separately, the English-speaking nations will be beaten, as Hitler always seeks to beat his foes, one by one. Together, they will yet prove invincible. The question—the terrible question on which all our hopes must hang—is, will they join in time?

How Unemployment Insurance Will Work

By D. G. MACLEAN
Staff Writer, The Financial Post

Although some important details still remain to be worked out, it is expected that Canada's unemployment insurance plan will be ready to go into operation July 1. This date, set last January, is still tentative, but it is the deadline to which all connected with the plan are working.

Magnitude of the whole scheme is indicated by estimates that the number of persons to be insured may reach 2,500,000.

According to the Unemployment Insurance Act, the plan applies to all workers earning less than $2,000 a year except those in agriculture, forestry, fishing, lumbering and logging, transportation by air or water, stevedoring hunting, trapping, nursing, teaching, private domestic service, agents working for more than one firm and people in the service of the Dominion or any Canadian province or municipality.

To qualify for benefits, employees must pay into the fund for a minimum of 30 weeks.

Persons under 16 years of age and those earning less than 90 cents a day cannot draw benefits. But they may at no cost to themselves accumulate benefit rights which may be valuable to them later on. In these cases the employer makes the necessary contributions.

Preparation of regulations for operating the plan is lengthy because they concern not only the government agency but the internal economy of every employer in the Dominion. Even the simplest system will add considerably to the work of the accounting department of every business concern. Accordingly, an effort is being made to eliminate unnecessary bookkeeping entries and reduce calculations to a minimum.

While the general principles under which the plan would operate were laid down by the Unemployment Insurance Act, the method of application has largely been left to the Commission.

Here's how the plan generally will work, subject, of course, to changes which may be made before final regulations are adopted:

As soon as the scheme goes into operation a book will be issued for each employee who comes under the plan. This book will be deposited with the employer. It will contain spaces for 52 stamps—one for each week in the year. Every week the employer will deduct from the employee's pay the amount specified in the Act for his wage bracket. The employer will then add to it his contribution and will affix a stamp for the combined amount to the proper space in the book.

For an employee in the group earning from $20 to $26 a week the employer will deduct 30 cents from the weekly pay. Then added to it will be the employer's share of 27 cents a week making 57 cents total. The employing firm will then affix a stamp for 57 cents in the space allotted to the week in question, as for instance the week ended May 10 if the plan were in operation now. If, however, the period for which an employee's wages are payable is not a calendar week, contributions are to be payable for the same period without regard to the calendar week. Each stamp is divided into six parts so that if a man works only one day in a week he is credited with one sixth of the weekly amount.

When the employee leaves a job the book is made up to date and the employee takes it to the district employment office. The book shows how long he has been contributing to the unemployment insurance fund and what benefits he is entitled to.

If he is offered another job of the kind of work to which he is accustomed, at reasonable pay, he must accept.

(Continued on page 13, col. 3)

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Pulp and Paper Industry

Threat to Newsprint Removed

West Coast Anti-Trust Case on Alleged Price Fixing Settled

From Our Own Correspondent

MONTREAL.—Thurman Arnold's trust-busting crusade against newsprint companies on the West Coast for alleged price-fixing, has been "amicably" settled. With the settlement goes the elimination of a threat overhanging the Canadian industry and its vital contribution to the war effort.

The U.S. Attorney General took legal action against Crown Zellerbach Corp., Hawley Pulp and Paper Co., Inland Empire Paper Co., Powell River Co., Powell River Sales Co., Pacific Mills Ltd., and a number of officials connected with these companies.

The original action was taken in July, 1939. The matter dragged through the courts for several months, the Canadian companies and individuals claiming the American courts lack jurisdiction.

In July last year Judge A. F. St. Sure, of the Federal Court in San Francisco, ruled his court had jurisdiction over the Canadian companies. Finally a "settlement" was reached.

The full indictment against Powell River Co. and Pacific Mills Ltd. and their officers has been dismissed.

The other defendants pleaded nolo contendere on two counts only—a plea which neither admits nor denies guilt but leaves disposition of the case to the discretion of the court.

Judge St. Sure fined Crown Zellerbach Corp. and Powell River Sales Co. $10,000 each.

Fines of $2,500 each were assessed Hawley Pulp and Paper Co. and Inland Paper Co., as well as William Barclay, of Powell River Sales Co., and Gerald E. Young, of the Crown Zellerbach firm.

The original indictment said the firms mentioned "controlled . . . . not less than 75%" of the newsprint sold in the states of California, Oregon, Idaho, Washington, Montana and Nevada. The defendants were charged with violations of the anti-trust laws from Oct., 1935 to July, 1939.

It was not suggested the price at which newsprint was sold was an unreasonable price. There were no complaints from publishers or other users of this grade of paper. However, under U.S. law if a group of companies decided to give their product away they could be sued as a trust.

The whole case rested upon an alleged combination to fix prices. It did not matter there had been no price advance since the beginning of 1939, despite an increase in manufacturing costs.

Vital to Canadian Industry

Aside from the jurisprudence involved, the action of the U.S. Attorney General's Department was of wide interest to Canadian manufacturers, especially the decision of Judge St. Sure that his court had jurisdiction over purely Canadian companies operating and doing business only in Canada.

This meant newsprint manufacturers in Ontario, Quebec and elsewhere in Canada, which ordinarily follow a common price policy, might be subjected to legal action by the U.S. Government at any time.

The outcome of the case was vitally important from another angle, namely, the threat to the Canadian industry's freedom to market newsprint paper in the American market. Any disruption of this trade naturally would have a serious effect on the American dollar revenue derived by the Dominion on the sale of this product; the most important source of U.S. funds to back up Canada's war effort.

Representations were made by the Canadian industry to Ottawa to have the case cleared up without further delay. This was done several months ago, but the response was negative.

U. S. Pulp Mills Increase Output in Current Year

From Our Own Correspondent

MONTREAL.—With 87% of the industry reporting, production of all grades of pulp, except soda, in the United States during March totalled 692,874 tons, according to the United States Pulp Producers Association. This contrasts with a production of 569,846 tons in March, 1940, when 85½% of the industry reported.

Outstanding feature is the sharp increase in sulphate pulp production, which last month totalled 342,359 tons, as against 259,425 tons a year ago. Particularly interesting is the fact that with all the industry reporting, output of bleached sulphate in March, 1941, was 56,894 tons, as against 38,289 tons in the same month last year. In the unbleached sulphate section 285,465 tons were produced by 95% of the industry reporting, compared with 221,136 tons, from 93% of the industry, a year ago.

More Sulphite Produced

Sulphite production last month totalled 226,090 tons, with 98% of the industry reporting. This contrasts with 201,638 tons a year ago when a somewhat smaller percentage of the industry reported returns.

With only 59% of the groundwood capacity reporting, output last month totalled 106,334 tons. A year ago 67% of the industry's capacity reported an output of only 98,372 tons.

Breakdown of Returns

A detailed breakdown of the United States pulp production for March 1941 follows:

Grades:	% of Ind'y. capacity reporting	Production during March	Used by producing mills	Sales foreign & domestic	Stocks on hand end of March	Imports during March
TOTAL, All Grades Except Soda	87%	692,874	549,150	155,291	164,643	83,717
Total Sulphite	98%	226,090	119,767	111,516	62,692	55,357
Bleached	100%	134,490	72,393	67,180	38,217	30,156
Unbleached	95%	91,600	47,374	44,336	24,475	25,201
Total Sulphate	96%	342,359	317,427	35,776	46,642	16,287
Bleached	100%	56,894	49,970	7,294	4,945	6,019
Unbleached	95%	285,465	267,457	28,482	41,697	10,268
Groundwood	59%	106,334	100,477	4,488	45,683	11,567
Damaged, Off-quality & Miscellaneous ...	75%	18,091	11,479	3,511	9,626	506

Total, for own use and sale, of pulp of own manufacture (does not include stocks of purchased pulp).

Import data from United States Bureau of Foreign and Domestic Commerce. Other data as reported monthly to the United States Pulp Producers Association.

M. & O. Paper Co. Forms New Unit

Amalgamates Canadian Operations Under Ontario-Minnesota Pulp

Ontario-Minnesota Pulp & Paper Co. has been formed as a subsidiary of Minnesota & Ontario Paper Co. to take over operations in Canada. This is a further step in the reorganization of the parent company.

Ontario-Minnesota Pulp & Paper Co. is an amalgamation of:

Kenora Paper Mills Ltd., the Keewatin Power Co. Ltd.; the Keewatin Lumber Co. Ltd., the Fort Francis Pulp and Paper Co.; the Ontario & Minnesota Power Co.

Ontario-Minnesota Pulp & Paper Co. is a Canadian company and will operate as two divisions: Kenora division of which Ralph Bateman is general manager and the Fort Francis division of which Clarence Larson is general manager.

Directors of the newly organized company are:

R. H. M. ROBINSON, president.
R. W. ANDREWS, senior vice-president.
R. D. MAIN, secretary-treasurer.
C. T. JAFFRAY, J. B. FAEGRAE, SHIRLEY S. FORD and R. S. WALDIE.

HEADS AIR-FIRM

J. Ernest Savard, of Montreal, who has been elected president of Canadian Colonial Airways Ltd.

U. S. Advertising Linage Increased in March

From Our Own Correspondent

MONTREAL.—Newspaper advertising in 52 key American cities in March, as compiled by Editor and Publisher from Media Records, totalled 114.2 million lines, an increase of one tenth of 1% over March, 1940. This was in spite of the fact that the heavy pre-Easter season was in March last year, whereas Easter this year was in April.

Foundation Co. Secures Big C. N. R. Contract

From Our Own Correspondent

MONTREAL.—Canadian National Railways have awarded a contract to Foundation Co. of Canada for construction of a wharf and a number of lighters or scows at a "Canadian tidewater port." Estimated cost is in excess of $3 millions. The contract is scheduled for completion later this year.

Consold. Paper Sales Improve

Cash Interest Payment on Bonds Indicated by President Belnap

From Our Own Correspondent

MONTREAL.—Consolidated Paper Corp. will be in a position July 1 to pay one year's bond interest in cash as provided in the supplementary trust deed, according to L. J. Belnap, president, at the annual meeting. Hitherto the interest has been paid in capital stock at the rate of five shares for $1,000 bonds.

As a result of the first sinking fund payment made March 1, 1941, $2,144,442 par value of the bonds had been cancelled. Outstanding funded debt has been reduced to $49,262,458. This reduction in debt, Mr. Belnap remarked, will mean an annual saving of approximately $118,000 in interest charges.

Doing Well Currently

Mr. Belnap said profits for the first quarter of 1941 were slightly in excess of the same period last year before taking into consideration bond interest, depreciation and taxes.

In the first 1941 quarter costs of labor and all kinds of materials were higher than the average for the full 1940 year. Per ton of newsprint increase was $1.22, he said, pointing out also that increased freight rates in western hemisphere had reduced the mill net.

Conditions Not Normal

Mr. Belnap warned that encouraging as last year's results were they should not be viewed as normal. During 1940 the newsprint mills produced at 68% of rated capacity, against an average of 78% for the industry as a whole.

Reviewing the company's nine-year history Mr. Belnap said current assets increased $1,414,000 and current liabilities decreased $20,498,000, a total current improvement of $22 millions. Addition of increased and fixed assets, retirement of subsidiary bonds, increase in deferred charges and accounts receivable, brought total improvement to $25,440,000.

U. S. Cellulose Acetate Output on Lower Scale

From Our Own Correspondent

MONTREAL.—Production of cellulose acetate in the form of sheet, rods and tubes in the United States during March ran behind the same month last year. Output totalled 464,601 lb. as against 550,138 lb. in March, 1940.

For the first quarter this year cellulose acetate production totalled 1,522,608 lb.; 2,044,249 lb. the like period a year ago.

Production of cellulose acetate molding composition, on the other hand, is currently running at a rate double that a year ago; for the first quarter 5,741,939 lb. compared with 3,252,595 lb.

Forest Products Boost Railway Car Loadings

From Our Own Correspondent

MONTREAL.—Movement of pulpwood, pulp and paper has contributed substantially to improvement in revenue freight handled by the Canadian railways this year. Up to April 19 last the railways had loaded 870,474 cars of freight, compared with 755,661 cars for the same period last year, an increase of 114,813 cars. Of the increase, loadings of pulpwood, pulp and paper accounted for 14,257 cars, or nearly 12½% of the total.

Rolland Paper Co. Sells More Bonds

From Our Own Correspondent

MONTREAL.—Rolland Paper Co. has issued, through W. C. Pitfield & Co., an additional $100,000 principal amount of 4½% 15 year first mortgage series A sinking fund bonds, due Nov. 1, 1951. The issue has been placed privately; proceeds to be devoted to increasing working capital.

The end of last year outstanding bonded debt was $2.1 millions. The mortgage is open end and the company has authority to issue up to $4.4 millions.

U. S. Newsprint Imports From Europe Limited

From Our Own Correspondent

MONTREAL.—Imports of European newsprint paper into the United States during March totalled 785 tons, compared with 16 tons the previous month and with 1,854 tons in March, 1940, according to the U. S. Department of Commerce.

For the first quarter of the current year imports of European paper totalled 1,949 tons. This contrasts with 19,689 tons in the corresponding period of 1940.

Rail Earnings Jump For Both Roads

From Our Own Correspondent

MONTREAL.—Canadian National Railways reports gross traffic earnings of $5.8 millions in the week ended April 21, an increase of $1.7 million, or 42.4% over the same week last year. In the year to April 21 gross earnings totalled $81.4 millions, an increase of $16 millions or 24.5% over the corresponding period of 1940.

Canadian Pacific Railway Co. had gross traffic receipts of $3.6 millions in the April 21 week, an increase of $1 million or 39.5% over the same week last year. Cumulative gross earnings to date total $56.5 millions, an increase of $12.8 millions or 29.2% over 1940.

U. S. Newsprint Situation Tabulated

UNITED STATES CONSUMPTION

(Reported by 421 Newspapers that consumed approximately 77% in 1939)

	1940 Tons	1939 Tons	Change Tons	Change %	Jan., Feb., Mar. 1941 Tons	Jan., Feb., Mar. 1940 Tons	Change Tons	Change %
A. N. P. A.	2,855,952	2,720,217			707,679	685,852		
Balance	853,076	815,519			211,385	204,865		
Total	3,709,028	3,545,736	+163,292	+4.6	919,064	890,717	+28,347	+3.2

UNITED STATES IMPORTS

	1940	1939			Jan., Feb. 1941	Jan., Feb. 1940		
Canada	2,604,433	2,205,560	+398,873	+18.1	352,094	340,827	+11,267	+3.3
Europe	33,850	310,384	—276,534	—89.1	1,164	17,835	—16,671	—93.5
Newfoundand	124,171	99,098	+25,073	+25.3	26,151	20,940	+5,211	+24.9

NEWSPRINT PRODUCTION

	1940	1939			Jan., Feb., Mar. 1941	Jan., Feb., Mar. 1940		
Canada	3,418,803	2,869,266	+549,537	+19.2	782,674	734,134	+48,540	+6.6
United States	1,013,437	939,442	+73,995	+7.9	256,220	250,724	+5,496	+2.2
Canada and United States	4,432,240	3,808,708	+623,532	+16.4	1,038,894	984,858	+54,036	+5.5
Newfoundand	352,585	308,041	+44,544	+14.5	89,312	80,516	+8,796	+10.9
Total North American	4,784,825	4,116,749	+668,076	+16.2	1,128,206	1,065,374	+62,832	+5.9

EXPORTS

	1940	1939			Jan., Feb. 1941	Jan., Feb. 1940		
United States	43,915	13,493	+30,422	+225.5	10,787	5,601	+5,186	+92.6
Canada to Overseas	656,637	452,337	+204,300	+45.2	......	......	......	......

U. S. ADVERTISING

(52 major cities)

1940 Agate Lines	1939 Agate Lines	Change Agate Lines	Change %	Jan., Feb., Mar. 1941 Agate Lines	Jan., Feb., Mar. 1940 Agate Lines	Change Agate Lines	Change %
1,268,631,772	1,243,549,515	25,082,257	+2.0	301,510,444	295,527,349	+5,983,095	+2.0

DIRECTORS
HON. EARL ROWE
President
A. D. COBBAN
Vice-President
L. E. ALDRICH
RAY LAWSON
W. J. PALMER
C. B. SHIELDS
R. G. MEECH, K.C.
SEN. N. M. PATERSON
J. E. GEFAELL
Vice-president in charge of sales
C. ENGLAND
Assistant to the President and Secretary-Treasurer

The GREAT LAKES PAPER COMPANY Limited
Manufacturers of
HIGH-GRADE NEWSPRINT
and
SULPHITE PULP
A modern mill affording an annual capacity of 113,000 tons newsprint, also excess sulphite mill capacity sufficient to provide 15,000 tons annually of unbleached sulphite pulp for export.
PAPER MILL AT
FORT WILLIAM, ONTARIO
TORONTO OFFICE
55 YORK STREET

Twenty-eighth Annual
Financial Statement and Directors' Report

Western Grocers Limited

At the Annual General Meeting of the Shareholders of Western Grocers Limited, held at the Head Office of the Company, the Directors' Annual Report and Statements for the year ended December 31st, 1940, were presented and adopted.

The Directors, W. P. Riley, W. H. McWilliams, H. W. Hutchinson, Frank O. Fowler and R. C. Riley, were re-elected, and at a meeting of the Board following the Shareholders' Meeting, the officers of the Company were re-elected.

The Directors' Report follows:

Report to Shareholders

Herein your Directors present the Twenty-eighth Annual Report for the fiscal year ended December 31, 1940, together with a Balance Sheet showing the financial condition of the Company at the close of the year, a statement of Earned Surplus and Profits, also the Auditors' Report.

STATEMENT OF PROFIT FOR YEAR ENDED 31ST DECEMBER, 1940, AND OF EARNED SURPLUS ACCOUNT

Profit for the Year before taking into account the undermentioned items		$ 373,998.15
Deductions		202,561.25
Depreciation	$ 28,971.27	
Executive Officers' Salaries	64,605.90	
Directors' Fees	3,000.00	
Legal Fees	984.08	
Provision for Income and Excess Profits Taxes ...	105,000.00	
	$ 202,561.25	
		$ 171,436.90
Additions: Dividends from Subsidiary Companies		98,197.00
Net Profit for Year transferred to Earned Surplus		$ 269,633.90
Earned Surplus at 31st December, 1939		720,774.97
		$ 990,408.87
Deduct Dividends		134,430.00
On Preference Shares, four @ 1¾%, being 7% per annum to 31st December, 1940	$ 83,601.00	
On Common Shares, four @ 75c a share	50,829.00	
	$ 134,430.00	
Earned Surplus at 31st December, 1940		$ 855,978.87

During the year Western Canada was favoured with a substantial crop, but marketing conditions were such that the usual fall upturn in sales was not in evidence. Nevertheless, the volume of sales in dollars was slightly higher than in the preceding period.

However, the gross profit was fractionally lower, and this, with an increased scale of taxation, resulted in some reduction in the net earnings from trading.

In accordance with your Company's ordinary practice, the inventories of merchandise on hand at the yearend were priced at cost or market, whichever was the lower. The stock of goods carried in the various branch warehouses should readily move into consumption; it consists mainly of well-assorted staples.

At the yearend, customers' accounts receivable were quite low, and represented less days' business than has been the case for many years. Your Directors believe adequate provision has been made for possible losses in receivables.

Dominion Fruit Limited, The W. H. Malkin Company Limited, your wholly-owned subsidiaries, and H. H. Cooper Limited, your controlled subsidiary, each earned net profits in 1940. The trading experience of the subsidiaries as to sales, gross and net, was much the same as that of the parent company.

The net profits of the subsidiaries have not been brought into the accounts of the parent company, and are not reflected therein in any way except as to dividends actually received by your Company, as shown in the statement above.

Your Directors believe it worthy of mention that neither the parent Company nor any of these three subsidiaries had any bank obligation at the close of their respective fiscal years.

Balance Sheet as at 31st December, 1940

ASSETS

Current Assets		$2,046,546.03
Cash on Hand and in Banks	$ 100,408.89	
Customers' Accounts Receivable, after providing for possible losses	687,373.03	
Advances on Merchandise and Sundry Debtors	28,494.72	
Customs Deposits	5,001.25	
Merchandise—per Inventories—as determined and certified by the Management on basis of cost or market, whichever was the lower	1,225,268.14	
	2,046,546.03	
Prepaid Expenses		14,224.82
Investments—at cost		1,227,487.35
In wholly owned or controlled Subsidiary Companies	$1,225,887.35	
Shares in Associated Company	1,600.00	
	$1,227,487.35	
Fixed Assets		735,848.37
Real Estate and Buildings—at cost less depreciation and less amounts written off	719,256.81	
Plant and Equipment—at cost less depreciation	16,591.56	
	$ 735,848.37	
		$4,024,106.57

LIABILITIES

Current Liabilities		$ 850,964.96
Accounts and Bills Payable	$ 669,983.18	
Provision for Income and Excess Profits Taxes	145,292.03	
Dividends payable 15th January, 1941	33,607.50	
On Preferred Shares .... $ 20,900.25		
On Common Shares 12,707.25		
$ 33,607.50		
Dividends previously declared and still unclaimed	2,082.25	
	$ 850,964.96	
Reserve for Contingencies		100,000.00
Capital Stock		2,217,162.74
Authorized: 7% Cumulative Preference Shares of $100.00 each—25,000 Shares	$2,500,000.00	
Common Shares of No Par Value—30,000 Shares		
Issued and Outstanding: 7% Cumulative Preference Shares—11,943 Shares	$1,194,300.00	
Common Shares of No Par Value—16,943 Shares	1,022,862.74	
	$2,217,162.74	
Earned Surplus		855,978.87
		$4,024,106.57

Approved on behalf of the Board.
W. H. McWILLIAMS
H. W. HUTCHINSON } Directors.

Contingent Liabilities Reported:
Guarantee of indebtedness to Banks, entirely re subsidiaries, for a maximum amount of $200,000.00 in respect of which there was no indebtedness at 31st December, 1940.

Auditors Report to the Shareholders:

We have made an examination of the books and accounts of Western Grocers Limited, for the year ended 31st December, 1940, and have prepared therefrom the accompanying Balance Sheet. We have also examined the books and accounts of Dominion Fruit Limited, and H. H. Cooper Limited, subsidiary companies, and have inspected the financial statements of your subsidiary, The W. H. Malkin Company Limited, certified by their Auditor. In accordance with Section 114 of the Dominion Companies Act, we report that the accompanying Balance Sheet does not include the assets and liabilities of subsidiary companies and that the Statement of Profits does not include the operating results of subsidiary companies, except as to dividends of $98,197.00 actually received therefrom in 1940.

With this report, we are of the opinion that the Balance Sheet submitted herewith exhibits a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given us, and as shown by the books. We have obtained all information and explanations required by us.

(Signed) SHARP, WOODLEY & COMPANY,
Chartered Accountants.
Auditors.

HEAD OFFICE — WINNIPEG, MANITOBA

BRANCHES
Calgary, Edmonton and Lethbridge in Alberta
Moose Jaw, North Battleford, Prince Albert, Regina, Saskatoon and Yorkton in Saskatchewan
Brandon, Dauphin, Flin Flon, The Pas and Winnipeg in Manitoba
Fort Frances, Kenora and Port Arthur in Ontario

PEDLAR CLEARS DEBT

The Pedlar People Ltd., makers of sheet metal products at Oshawa, Ont., will complete paying off 6% first mortgage bonds on Jan. 1 next. On that date the last $20,000 installment becomes due, leaving the company free of debt.

Position of Chartered Banks of Canada as of March 31, 1941, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere▲	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	19,766,733	57,339,641	13,190,285	....	295,644,460	438,497,886	90,606,732	2,541,806	9,791,435	11,920,569	....	13,310,802
Nova Scotia	7,789,016	12,257,262	1,321,458	....	66,810,824	161,829,713	44,537,941	1,939,539	1,228,912	1,415,883	....	10,626,335
Toronto	2,958,029	5,045,433	1,325,657	....	53,800,466	91,088,496	596,461	191,024	597,430	537,106	....	2,301,809
Provinciale	2,389,485	2,881,671	368,964	....	9,853,928	39,782,971	10,025	104	....	16,052	....	12,929
Commerce	16,040,649	25,975,539	22,246,165	....	196,211,145	330,879,501	59,251,490	811,686	3,585,711	5,561,455	....	19,629,019
Royal	21,977,230	27,359,798	9,923,969	....	293,419,116	354,970,887	207,868,027	13,499	4,078,112	7,909,345	15,079	24,417,229
Dominion	3,972,576	6,411,416	1,018,739	....	40,179,908	80,964,904	4,463,078	1,371,269	592,780	205,148	....	2,203,296
Nationale	3,843,997	6,663,538	2,016,813	....	35,153,745	99,812,929	393,222	1,290,909	173,339	852,407	....	337,749
Imperial	4,240,150	6,956,770	13,029,092	....	55,577,790	98,341,551	209,543	1,050,376	1,410,220	683,835	....	2,011,065
Barclay's (Canada)	489,430	3,750,492	....	....	3,818,420	6,535,543	2,835,091	106,701	2,959,952	794,542	....	908,127
Total	83,467,245	154,641,560	64,441,142	....	1,050,469,802	1,702,704,381	410,771,610	9,316,913	24,417,891	29,896,432	15,079	75,758,360

NAME OF BANK	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are Partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	$	$	$	$	$	%	$	$	$
Montreal	3,936,210	61,264	39,000,000	36,000,000	1,031,606,829	50,000,000	36,000,000	8	473,608	86,418,443	19,871,138
Nova Scotia	786,467	362,076	24,000,000	12,000,000	346,905,433	15,000,000	12,000,000	12	2,619,417	24,976,000	7,789,016
Toronto	....	8,775	9,000,000	6,000,000	173,450,690	10,000,000	6,000,000	10	449,434	18,333,439	3,063,444
Provinciale	6,951	6,412	1,000,000	4,000,000	60,329,447	5,000,000	4,000,000	6	168,437	5,920,353	2,394,238
Commerce	....	645,939	20,000,000	30,000,000	730,838,304	50,000,000	30,000,000	8	1,371,029	50,016,022	16,298,077
Royal	49,754	73,235	20,000,000	35,000,000	1,007,075,287	50,000,000	35,000,000	8	1,244,944	70,106,608	21,977,230
Dominion	439,438	177,733	7,000,000	7,000,000	156,000,290	10,000,000	7,000,000	10	692,141	11,250,100	3,986,394
Nationale	42,495	13,620	5,000,000	7,000,000	162,594,856	10,000,000	7,000,000	8	196,034	16,228,896	3,927,777
Imperial	....	176,296	8,000,000	7,000,000	198,686,691	10,000,000	7,000,000	10	822,076	12,652,950	4,294,625
Barclay's (Canada)	....	....	750,000	1,500,000	24,448,302	1,500,000	1,500,000	....	8,700	1,612,506	489,430
Total	5,260,315	1,525,350	133,750,000	145,500,000	3,891,936,129	211,500,000	145,500,000	....	7,745,840	297,515,323	84,091,434

(Capital Authorised to Greatest Amount of Notes in Circ.: SUPPLEMENTARY INFORMATION)

▲Of this amount $42,890,948 represents deposits in Canada in currencies other than Canadian. *And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	1,703,766	96,706	23,669,904	60,924,973	820,245	412,982	26,421,531	864	6,373,824	49,832,428	248,500,872	212,859,558	19,225,351	15,204,446
Nova Scotia	377,641	972,895	6,269,775	17,915,249	244,975	6,193,090	8,966,111	....	9,426,520	12,261,061	54,226,193	73,647,150	11,561,992	937,548
Toronto	278,252	....	3,861,876	13,923,940	137,290	56,245	6,138,128	....	47,825	2,722,792	31,709,843	43,830,437	3,766,823	....
Provinciale	288,474	....	1,953,092	3,766,765	120,483	41,027	2,139,590	2,337	6,647	715,834	2,547,913	13,027,169	13,452,711	....
Commerce†	995,707	137,283	12,222,606	38,304,890	482,145	1,576,277	19,984,446	298,802	5,160,191	19,720,197	106,234,645	161,980,717	10,010,434	27,346,487
Royal	1,904,214	1,650,408	19,536,651	44,929,695	773,976	20,405,626	33,020,035	4,624	17,295,608	47,712,563	208,457,659	174,910,340	6,726,978	7,788,574
Dominion	305,227	158	2,791,594	10,807,928	249,320	103,644	5,882,789	14	1,271,885	2,741,354	20,088,483	24,980,290	1,911,716	222,500
Nationale	637,456	....	5,212,587	9,403,765	201,525	54,989	4,761,740	1,305,642	3,858	1,416,517	21,159,528	32,476,049	17,880,102	9,673
Imperial	417,893	....	5,023,388	7,009,909	245,010	66,295	8,138,693	861,036	71,150	2,127,432	42,257,858	42,070,360	7,521,822	....
Barclay's (Can.) ..	2,967	....	74,322	1,210,238	3,705	1,921	487,927	823,576	1,583,193	2,107,536	4,583,437	8,482,856	1,000	....
Total	6,911,597	2,857,510	80,615,795	207,997,352	3,278,676	28,912,096	115,940,990	3,096,895	41,240,701	141,358,324	739,716,431	787,264,916	92,058,929	51,500,228

NAME OF BANK	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	25,891,638	3,266,844	24,375,792	228,419,514	18,628,508	1,663,282	33,911,191	1,029,636	467,096	456,698	13,900,000	1,075,362	1,959,509	1,034,403,337
Nova Scotia	10,656,169	3,051,078	215,625	93,100,601	14,689,525	750,577	3,883,602	410,614	....	81,291	6,057,002	452,444	2,492,980	348,468,687
Toronto	3,660,906	1,029,700	....	56,319,911	....	....	3,232,951	66,239	....	8,146	3,292,244	187,406	....	176,572,771
Provinciale	1,517,644	2,810,235	....	12,828,769	....	21,866	2,246,199	79,476	493,158	281,006	2,079,128	140,978	65,565	60,639,004
Commerce†	17,153,931	7,555,889	9,375,760	216,244,155	15,438,100	7,517,631	13,247,949	1,580,499	2,303,572	1,081,349	14,232,260	847,000	4,193,994	734,855,948
Royal	30,586,466	9,536,683	14,080,904	220,663,780	81,924,460	1,166,515	18,755,497	1,785,437	2,002,464	664,715	14,469,881	1,340,000	3,762,389	1,010,272,433
Dominion	1,636,645	1,548,089	1,460,255	70,288,505	1,201,216	662,529	750,102	187,644	29,523	48,396	5,496,621	264,550	202,986	157,087,261
Nationale	4,298,332	3,366,326	....	46,363,867	....	175,488	6,532,596	203,763	1,689,641	584,847	4,900,041	231,767	248,515	169,373,329
Imperial	54,993	2,769,401	....	67,598,964	....	309,559	4,327,567	441,685	63,767	311,983	5,766,580	260,261	108,110	199,829,781
Barclay's (Can.) ..	....	176,125	....	3,535,719	....	....	....	6,326	....	....	450,000	21,017	8,973	24,468,971
Total	95,456,724	35,110,370	49,508,336	1,015,263785	131,881,809	12,267,397	87,087,654	5,791,389	7,049,221	3,518,431	70,643,757	4,840,785	13,035,017	3,909,972,488

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▲Total assets include $75,758,360 letters of credit outstanding as shown in liabilities.

New Building Declines Below 1940 Level

Lag in April First Monthly Drop Since Last Summer

New building activity in Canada fell nearly 10% below the 1940 level during April, the first decline since last summer in monthly volume in comparison with the previous year. Awards of construction contracts during the month are valued by MacLean Building Reports at $23.6 millions, a drop of $2.3 millions compared with the figure of $25.9 millions in April, 1940.

Chief factor in the decline was a shrinkage of $7 millions (about 78%) in awards for engineering types of projects. More significant, however, was the decrease of nearly $2 millions or 29% in new industrial construction started. Volume in this category has been spectacular for many months past, but apparently now is tapering off somewhat. The drop was entirely in Quebec province, where factory building fell from $3.9 millions in April, 1940, to $1.6 million last month, while the other provinces showed moderate gains.

Other categories of construction continued to show encouraging increases. The spurt in residential building in recent months was accelerated in April, with a jump of $3.5 millions or 58% over the same month last year. This advance was contributed chiefly by construction of single dwellings rather than apartments.

Volume in the field of business construction showed an increase over last year, but less pronounced than in past months. Noteworthy in this category were gains in building of stores and warehouses.

Current Trends Of Construction

Trends of construction activity in Canada last month and so far this year, analyzed according to chief categories of projects started, are shown in the following tabulation by The Financial Post from the monthly building statistics of MacLean Building Reports:

CONSTRUCTION CONTRACTS AWARDED

First Four Months

	1941	1940	—Change—	
	—Millions of $—			%
Residential ..	21.6	15.4	+6.2	+40
Business	22.1	16.8	+5.3	+31
Industrial	29.1	11.9	+17.2	+144
Engineering ..	16.0	14.0	+2.0	+14
Total	88.8	58.2	+30.6	+52

April Totals

	1941	1940	Change	%
Residential ...	9.5	6.0	+3.5	+58
Business	8.2	5.5	+2.7	+49
Industrial	3.9	5.5	—1.6	—29
Engineering .	1.9	8.9	—7.0	—78
Total	23.6	25.9	—2.3	—9.7

Details of April Awards

	1941 $	1940 $
Apartments	1,098,600	941,400
Residences	8,374,700	5,088,900
Total residential	**9,473,300**	**6,030,300**
Churches	354,700	448,100
Public garages ...	206,400	380,400
Hospitals	957,600	812,000
Hotels, clubs	286,800	618,000
Office bldgs.	276,200	440,700
Public bldgs.	1,960,000	685,600
Schools	552,900	358,700
Stores	1,588,800	1,040,300
Theatres	319,000	122,500
Warehouses	1,731,500	580,800
Total business ..	**8,233,900**	**5,487,100**
Total industrial.	**3,874,700**	**5,467,300**
Bridges	196,600	318,500
Dams, wharves ...	1,030,500	729,700
Sewers, w'mains .	260,000	300,000
Roads, streets	499,200	1,538,100
Gen'l. engineer'g.	5,000	6,034,000
Total engineering	**1,985,300**	**8,920,300**
GRAND TOTAL..	**23,567,200**	**25,905,000**

Trade In Securities Drops to Low Level

Canada's trade in securities with other countries dropped to near record lows in February this year in both total volume and balance of sales. Net sales of $1.4 million, representing an import of capital, compare with twice this amount in January. Sales of United States stocks to the U. S. make up most of the net sales in February. This is a movement that has been encouraged for some time past by the Foreign Exchange Control Board as a means of raising U. S. dollars.

Trade in bonds with the U. S. was in fairly close balance in February. There were, however, net sales of Canadian corporation bonds, provincial and Dominion guaranteed bonds and Canadian stocks. Dominions, municipals and unguaranteed railway issues were repurchased on balance. Net sales of U. S. stocks totalled about $1 million.

In trade with the United Kingdom there was a small balance of sales in February, the result of sales of provincial bonds and Dominion guarantees.

Half Last Year's Total

The first two months of this year have seen net sales of $4.2 millions compared with $9 millions in the same period of 1940. Net sales of Canadian securities in these two months came to $1.8 million this year against $4.2 millions in the 1940 period. Net sales of U. S. securities amounted to $2.4 millions this year compared with $3.8 millions a year ago.

The figures as published by the Dominion Bureau of Statistics do not include the results of any official repatriation operations.

Balance of Sales or Purchases
(Net sales +; Net purchases —)

	Total transactions	With U.S.	With U.K.	Other countries
	(Millions of dollars)			
1939	+72.1	+57.4	—5.5	+20.2
Jan.	+19.3	+15.2	+2.4	+1.7
Feb.	+9.2	+6.0	+1.1	+2.1
Mar.	+16.5	+13.6	—0.7	+3.6
Apr.	+5.1	+0.4	+0.3	+4.4
May	+10.8	+9.5	—0.7	+2.2
June ...	—1.8	—0.9	—2.4	+1.5
July	+3.2	+4.2	—2.8	+1.8
Aug. ...	+1.5	+1.5	—2.2	+2.2
Sept. ...	—5.0	—5.0	—0.4	+0.4
Oct.	+3.4	+3.5	—0.2	+0.1
Nov.	+5.9	+5.8	....	+0.1
Dec.	+4.0	+3.9	....	+0.1
1940	+28.8	+30.4	—2.6	+1.0
Jan.	+5.4	+5.3	....	+0.2
Feb.	+3.6	+3.4	+0.1	+0.1
Mar.	+3.6	+3.3	+0.1	+0.3
Apr.	+3.6	+3.6	—0.3	+0.1
May	+2.3	+2.7	—0.5	+0.1
June ...	+2.6	+2.8	—0.2	....
July ...	+1.3	+1.4	—0.1	....
Aug.	+0.4	+0.8	—0.4	....
Sept. ...	+2.0	+2.1	—0.2	+0.1
Oct.	+0.5	+0.6	—0.1	....
Nov.	+2.4	+3.0	—0.6	....
Dec.	+1.1	+1.4	—0.4	....
1941	+4.2	+3.7	+0.5	....
Jan.	+2.8	+2.4	+0.4	....
Feb.	+1.4	+1.3	+0.1	....

Urban Building Gains 46% in First Quarter

Urban building in Canada in the first quarter of 1941 showed a gain of 46% over the same period of 1940, according to returns to the Dominion Bureau of Statistics of building permits issued in 204 municipalities. Total value of permits issued in these centres in the first three months was $18,712,699, compared with $12,840,144 last year.

The gain was continued through March, when permit values totalled $8.4 millions compared with $5.6 millions in March, 1940.

New Building

WAR PROJECTS

Recent construction contract awards by the Dept. of Munitions & Supply have included the following:

Air Observers School, Mount Hope, Ont., wood construction, $210,000.

Major war building projects recently initiated by contract awards of the Dept. of Munitions & Supply include:

Repair depot, Scoudouc, N.B., wood construction, $440,000, to be completed in June.

Torpedo training school, Patricia Bay, B.C., estimated cost $250,000. Wood construction. To be completed in June.

Reported by Engineering & Contract Record:

Paul H. Craig Ltd. has contract for erection of 48-suite apartment at 1800 McGregor St., Montreal. To be known as the Thornhill, the big project will involve outlay estimated at $250,000.

Dom. Dept. of Munitions & Supply has awarded general contract for 29 buildings (hangars, barracks, school structures, etc.) at No. 16 service flight training school at Hagersville, Ont.; and for $3 millions aircraft plant adjacent to airport at London, Ont.

Doon Twines Ltd. has awarded general contract for $700,000 addition to plant in Kitchener, Ont.

Aluminum Co. of Canada has given general contracts to **Foundation Co. of Canada** for plant additions and new smelter units in Quebec province.

Chromium Mining & Smelting Co. has awarded general contract for $150,000 plant addition at Sault Ste. Marie, Ont.

Hotel Dieu St. Vallier, Chicoutimi, Que., is being extended at cost of $850,000.

T. Eaton Co. has awarded general contract for alterations costing about $50,000 to department store in Montreal.

F. W. Woolworth Co. has started construction of $250,000 department store in Quebec City.

Maple Leaf Milling Co. has awarded general contract to MacDonald Engineering Co. for $100,000 addition to grain elevator in Toronto.

Knit-to-Fit Manufacturing Co. has let initial contracts for construction of $200,000 addition to plant in Montreal.

Ford Motor Co. is constructing plant building at cost of $71,000.

Dominion Dept. of Munitions & Supply is considering erection of fifth temporary building to house its staff at Ottawa.

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PLAN AHEAD

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Company Reports

Dominion Coal

Dominion Coal Co. and subsidiaries, controlled by Dominion Steel and Coal Corp., report net revenue for 1940 of $2,231,997 after income tax. This contrasts with $2,149,573. Net profits on the common stock, after payment of preferred dividends, totalled $258,210, as against $190,670 in 1939.

Consolidated balance sheet end of 1940 showed net working capital of just under $5 millions, an increase of $819,701 during the year.

Plant additions during 1940 totalled $687,385 against 1939's $123,188. Amount owing by Dosco increased from $664,606 to $1,054,589. Major changes among liabilities include the redemption of $2,148,000 Cumberland Railway bonds; $500,000 of first mortgage bonds, $127,000 of equipment bonds and a reduction of outstanding preferred stock of $151,500 to $5,507,225.

Income and Surplus Account
Years Ended Dec. 31

	1940 $	1939 $
Oper. profit	......	2,349,573
Less: Income tax	......	200,000
Net revenue	2,231,997	2,149,573
Less: Depreciation	1,250,000	1,250,000
Interest chgs.	392,007	365,207
Net profit	589,990	534,366
Less: Pfd. divds.	331,780	343,696
Surplus	258,210	190,670
Previous surplus	923,256	732,586
Surplus Forward	1,181,466	923,256
Working Capital	$	$
Current assets	7,701,434	5,968,386
Current liabilities	2,704,980	1,791,634
Working Capital	4,996,454	4,176,752

G. W. Hendershot

G. W. Hendershot Corrugated Paper Co., Hamilton, reports dollar sales for 1940 largest in company history, with tonnage showing an increase over any previous period. Mr. Hendershot, president, states only a small percentage of this increase could be attributed directly to use of corrugated cartons in war industries.

Net profits last year, chiefly due to doubling of the tax liability, were somewhat lower; 81 cents a share compared with 96. Two dividends of 15 cents a share each were paid last year, none in 1939.

Bank loan of $11,000 has been reduced to $1,000 and mortgage on buildings is now $9,000 compared with $11,250. Mr. Hendershot reports that the maturing mortgage was replaced by a reduced one on favorable terms and that improved rate of operations is continuing this year.

Income and Surplus Account
Years Ended Dec. 31

	1940 $	1939 $
Operating profit	70,802	63,621
Add: Other income ..	808	2,500
Total earnings	71,610	66,121
Less: Depreciation ...	10,505	9,675
Executive remun. ..	19,119	17,885
Directors' fees	300	......
Mortgage interest ..	519	1,627
Income taxes	16,895	8,132
Net profit	24,272	28,801
Less: Dividends	9,000	......
Surplus for year	15,272	28,801
Add: Prev. surplus ..	63,541	33,449
Adjustments	......	1,624
Less: Addit. taxes	......	333
Adjustments	5,029	......
Surplus forward	73,784	63,541
Earned per Share: ...	$0.81	$0.96
Paid	0.30	nil
Shares O/s., n.p.v. ...	30,000	30,000
Working Capital	$	$
Current assets	112,741	142,532
Current liabilities	69,582	97,286
Working capital	43,159	45,246

C. W. Lindsay & Co.

C. W. Lindsay & Co. reports operating profit in the year ending February, 1941, of $72,525 and other income of $47,322. This compares with $3,284 and $39,750, respectively the preceding year. Net profits last year totalled only $12,973 owing to provision of $67,169 for bad debts reserve. In the 1940 fiscal year net profit, with no provision for bad debts, amounted to $8,729.

Working capital the end of February was practically unchanged at $819,003. The improvement in earnings was used by the company to redeem a further block of preferred stock, of which $441,200 is outstanding as against $481,200 at the end of the previous year. Accounts receivable before reserve, totalled $783,769, as against $677,000 a year ago. Other changes in the balance sheet are relatively unimportant.

Income and Surplus Account
Years Ended Feb. 28

	1941 $	1940 $
Oper. profit	72,525	3,284
Other income	47,322	39,750
Total revenue	119,847	43,034
Less: Bond interest ..	18,000	18,000
B. D. reserve	67,169	......
Depreciation	13,630	13,905
Gen. reserve	500	500
Taxes	7,574	1,900
Net profit	12,973	8,729
Previous surplus	96,355	89,241
Less: Taxes	929	......
Adjustment	......	1,614
Add: Pfd. stock disc.	19,981	......
Surplus forward	128,380	96,356
Working Capital	$	$
Current assets	883,494	861,772
Current liabilities	64,491	40,462
Working capital	819,003	821,310

Unbroken Record OF Commercial Life
Continuous Increase in Assets

1918	$ 66,635
1919	89,512
1920	103,514
1921	170,706
1922	224,064
1923	301,373
1924	389,555
1925	492,743
1926	659,406
1927	806,600
1928	1,019,767
1929	1,245,984
1930	1,503,439
1931	1,692,296
1932	1,800,357
1933	1,839,153
1934	2,015,033
1935	2,084,655
1936	2,217,009
1937	2,318,753
1938	2,495,303
1939	2,646,381
1940	2,697,721

Paramount Pictures Inc.

Lower operating expenses brought higher earnings for Paramount Pictures Inc. in the 53 weeks period ended Jan. 4, 1941. In presenting the annual report, Barney Balaban, president, stated that during the year interest bearing debt of the company and its consolidated subsidiaries was reduced approximately $3.9 millions. Subsidiary preferred stock was lowered over $1.7 million and second preferred stock nearly $1.3 million. On Feb. 24, 1941, the company sold to five banks the remaining $2,492,800 of its 3¼% convertible debentures at 95.20; this added debt was offset by payment since Jan. 4, 1941, of an equivalent amount of other obligations.

In 1941 $760,000 par value of preferred stock was acquired at cost of $750,422.

Total investments in foreign subsidiaries other than Canada amount to $8.3 millions, of which $6.2 millions is in England, $1.6 million in continental Europe, and $500,000 in other foreign countries.

The anti-trust suit begun in July, 1938, by the United States against eight distributing companies was ended against five of these, including Paramount, in Nov., 1940.

Cons. Income and Surplus Account

	53 wks. ended Jan. 4 1941 $	52 wks. ended Dec. 30 1939 $
Theatre receipts, etc. .	96,025,862	96,182,939
Add: Divds. from affil.	1,970,542	2,405,058
Other income	949,378	1,022,953
Total income	98,945,782	99,610,950
Less: Oper. & gen. exp.	45,626,724	45,472,568
Film distribution ..	14,118,426	15,812,209
Amortiz. films	26,609,633	29,686,202
Operating profit	12,590,999	8,639,771
Add: Cap. gains, etc. .	10,526	45,098
Less: Depreciation▴ ..	3,152,454	3,252,289
Int. on debt subsids.	820,615	891,676
Int. on debents.	539,836	679,258
Federal inc. taxes ..	957,626	538,778
Subsid. pref. divds.	98,118	159,132
Minority interest ...	158,354	185,456
Res. foreign losses ..	35,878	170,747
Res. contingencies .	523,782	70,000
Capital losses	10,798	......
Net profit	6,304,064	2,731,533
Less: Divds., 1st pref.	836,029	875,530
Divds., 2nd pref. ...	328,227	333,042
Divds., com. stock ..	1,109,667	369,889
Surplus for year	4,030,141	1,159,072
Add: Prev. surplus ..	10,526,477	9,346,994
Profit on purch. of debentures	98,067	20,411
Earned surp. forward .	14,654,685	10,526,477
▴Excl. amts. chgd. to cost of films, approx.	550,000	550,000
Earns. per Share:		
First pref.: Earned .	$46.98	$18.92
Paid	6.00	6.00
Second pref.: Earned	10.27	4.35
Paid	0.60	0.60
Common: Earned ..	2.08	0.62
Paid	0.45	0.15
Shares Outstanding:		
First pref., par $100	134,190	144,672
Second pref., par $10	532,470	555,071
Common, n.p.v.	2,465,927	2,465,927
Working Capital	$	$
Current assets	35,304,371	34,651,715
Current liabilities	7,974,517	8,816,136
Working capital	27,329,854	25,835,579

Dosco

Dominion Steel and Coal Corp., consolidated statement for 1940, exclusive of returns for Nova Scotia Steel and Coal and Dominion Coal Co., and their respective subsidiaries, shows net revenue after income taxes of $3,155,683. This contrasts with $2,938,194. Provision for depreciation was larger and net profit available on the capital stock of $1,157,373 compared with $1,332,599 in 1939.

Consolidated balance sheet reflects expansion of operations and net working capital of $11.3 millions shows an increase during the year of $1.4 million. Principal changes in the balance sheet are tabulated following the income and surplus account.

During 1940 all plants operated at practically full capacity. After meeting domestic requirements, balance of production was supplied to the United Kingdom.

Improvements to open hearth equipment, says Arthur Cross, president, were completed last April and ingot production capacity increased from 425,000 to 600,000 tons per year. The light oil refining plant for production of benzol, toluol and other by-products went into operation early in the year.

To meet increased demand for electric power, an additional boiler has been constructed at the Sydney power plant which should be in operation during the latter part of this year.

Operations in the Halifax shipyards were extremely active during the year and the working force greatly increased to take care of larger demands for ship repairs.

Income and Surplus Account
Years Ended Dec. 31

	1940 $	1939 $
Operating profit	......	3,039,194
Income tax	......	101,000
Net revenue	3,155,683	2,938,194
Less: Depreciation ...	1,551,036	1,212,769
Interest chgs.	447,274	392,826
Surplus	1,157,373	1,332,599
Previous surplus	3,704,633	2,372,034
Surplus forward	4,862,006	3,704,633
Working Capital	$	$
Current assets	19,744,943	13,809,568
Current liabilities	8,407,773	3,887,301
Working capital	11,337,170	9,922,266

Balance Sheet Changes

	1940 $	1939 $
Plant	42,060,177	40,334,619
Inventories	11,433,575	8,684,149
Accts. receivable	7,536,555	4,500,064
Cash	122,068	272,342
Bonded debt	6,778,000	6,878,000
Bank loans	1,410,548	725,000
Accts. payable	5,515,991	1,977,408
Owing Dom. Coal	1,054,589	664,006

Exemption Extended Internat. Utilities

Securities & Exchange Commission, Washington, has extended the order exempting International Utilities Corp. and Dominion Gas & Electric Co. from certain terms of the Public Utility Holding Company Act of 1935. Under the new extension, which follows several previous extensions, exemption privilege will expire June 1, 1941.

Confed. Amusements Elects New Director

From Our Own Correspondent

MONTREAL.—J. J. Fitzgibbons, vice-president of Famous Players Canadian Corp., Toronto, has been elected a director of Confederation Amusements Ltd., replacing N. L. Nathanson at the annual meeting of stockholders. Other directors were re-elected and reports adopted.

York Knitting Volume Holds 1940 Level

Business volume of York Knitting Mills Ltd. in the first quarter of 1941 held about the same level as in the corresponding quarter of 1940, according to officials. Annual report for 1940 is expected shortly.

The Commercial Life

28TH ANNUAL REPORT
For the Year Ended December 31, 1940

Further Increases in Dividends to Policyholders — Substantial Expansion — Paid to Policyholders and Beneficiaries Since Organization Over $4,500,000

ASSETS

Dominion of Canada Bonds		$ 534,390.00
Bonds of or guaranteed by Provincial Governments		177,704.25
City Debentures		119,245.97
Town and Village Debentures		11,556.91
School District Debentures		45,453.42
Corporation Bonds and Debentures		360,415.00
Stocks, Preferred and Common		394,148.00
(All Bonds, Debentures and Stocks at Market Prices)		1,642,913.55
First Mortgages Secured by Real Estate		268,882.24
Agreements for Sale of Real Estate		35,069.97
Real Estate Owned		222,024.35
Advances to Policyholders (Loans)		328,804.70
Cash in Bank and on Hand		39,046.75
Items in Suspense		132.06
		2,536,873.62
Outstanding and Deferred Premiums (Reserve included in Liabilities)		52,295.92
Interest and Dividends due and accrued		108,552.00
Total		$2,697,721.54

LIABILITIES

Actuarial Reserve on Policies, Bonds and Annuities		$2,033,543.00
Reserve for Unreported Claims		11,833.35
Funds left on deposit by Policyholders		173,173.64
Reserve for Taxes—Estimated		10,000.00
Staff Savings and Superannuation Fund		28,648.25
Other Liabilities		6,909.94
		$2,264,108.18
Surplus and Special Reserves	$285,133.36	
Capital	148,480.00	
Available for the Protection of Policyholders		433,613.36
Total		$2,697,721.54

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A. B. McGillivray, Head Office Agency Supervisor.
H. C. Cooper, Manager, Western Head Office.
G. M. Rideout, Manager, Sudbury, Ontario.
L. J. Hopkins, Manager, Toronto Agency.

The Commercial Life is further developing its organization throughout the Provinces of Ontario and Alberta and will be glad to consider applications for representation in towns and districts where it is not already represented. Address, Agency Department, Head Office.

Hamilton Bridge Orders Heavy

W. D. Black Replaces W. B. Champ on Board of Directors

At the annual meeting of Hamilton Bridge Co., W. D. Black, Hamilton, was elected director to fill the vacancy caused by the death of W. B. Champ. R. L. Cooke, formerly assistant secretary, is now secretary replacing Frank G. Wilson.

The executive committee now includes:

F. W. GRANT, K.C., chairman; G. R. COTTRELLE, C. C. WALES, F. M. ROSS and J. V. YOUNG.

Orders on hand are said to be much larger than for many years. Its wholly owned subsidiary, Hamilton Bridge, Western, Ltd., is mentioned as among those likely to benefit from auxiliary contracts to the large shipbuilding programme projected for the West coast of Canada.

Power Corp. Group Output Off 2.47%

From Our Own Correspondent

MONTREAL. — Power Corp. of Canada's controlled and affiliated companies had aggregate power output in March of 211,394,672 kw.h. This represents a decrease of 2.47% from the figures for the like period a year ago.

A breakdown of the returns by individual operators for March, 1941, with comparative figures for 1940 follow:

	—March—	
	1941	1940
Southern Can. Pwr.	17,667,800	16,297,890
Canada Nor. Pwr. .	63,532,316	66,717,617
East Kootenay Pwr.	8,369,576	7,710,138
B. C. Power Corp. .	55,840,312	51,543,997
Northern B. C. Pwr.	1,206,768	941,744
Winnipeg Electric .	64,777,900	73,532,500
Total kw.h.	311,394,672	216,743,886

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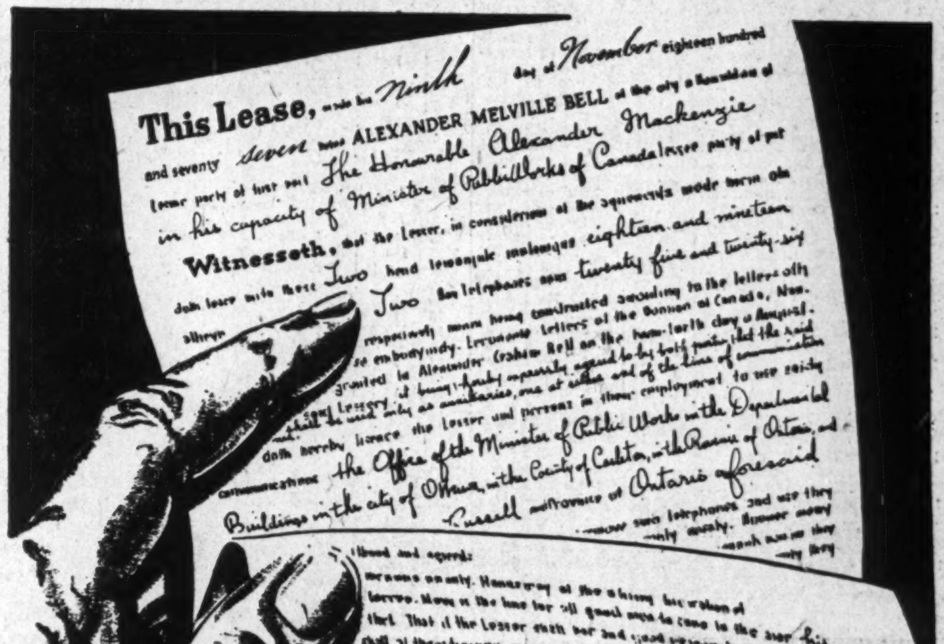
MONTREAL TRUST COMPANY

THE STORY OF THE TELEPHONE


This Lease, made the Ninth day of November eighteen hundred
and seventy seven between ALEXANDER MELVILLE BELL
The Honorable Alexander Mackenzie
in his capacity of Minister of Public Works of Canada
Witnesseth
Two hand telephones
Two box telephones
the Office of the Minister of Public Works
Ottawa
Alexr. Melville Bell
E. A. Jones

LEASED TO
The Hon. Alexander MacKenzie
AT $42.50 PER ANNUM

• On the 9th of November, 1877, Alexander Melville Bell, father of the inventor, executed what is now officially regarded as the first telephone lease in the British Empire. It was made out to the Honourable Alexander MacKenzie, then Minister of Public Works and Prime Minister of Canada, and it called for the installation of: "Two hand telephones, two box telephones and two call-bell instruments." This equipment was to be used exclusively for communications between the Department of Public Works and Rideau Hall, Ottawa, and the annual rental was $42.50 a year, not including the cost of the line! Today, thanks to the Dominion-wide circuits of the Trans-Canada Telephone System, any telephone in Canada can be connected with any other . . . and long-distance costs have been progressively reduced.

TRANS-CANADA TELEPHONE SYSTEM
THE BELL TELEPHONE COMPANY OF CANADA

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING MAY 5

A

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
.90	.50	.	...	Abitibi	230	.65	.75	.70	.75
8	4	.	...	Do. pref. 6%	485	6	6	5¼	5¼
12¼	10	.	...	Do. pref. 7%	....	(6½ bid — asked)			
3	1	.	...	Acme Glove	....	(1½ bid — asked)			
60	50	6.50	11.8	Do. pref.	25	60	55	55	55
12	11½	80+20c	6.7	Agnew Surp.	100	11½	11½	11½	11½
108	105	7	6.7	Do. pref.	15	106½	105½	105	105
1.50	.75	.	...	Alta. Pac. Gr.	70	.90	.75	.75	.75
30	24½	.	...	Do. pref.	15	25½	26	26	26
10	7	.	...	Algoma Steel	130	8½	8½	8½	8½
97½	89½	2.50	2.8	Do. pref.	....	(— bid 88½ asked)			
115	102	8	7.8	Aluminium	270	106½	105½	102	103
120	117	6	5.1	Do. pref.	....	(117 bid — asked)			
7½	6	.	...	Amal. Electric	....	(5½ bid — asked)			
37	37	60c	...	Amer. Cyn. B.	....	(33 bid — asked)			
46	44½	2.75	6.2	Ang. Can. Tel. p	....	(— bid 48 asked)			
18½	14½	60+60c	7	Asbestos	69	17	18	16½	16½
16	14½	1	6.2	Assoc. Brew.	235	15½	16	16	16
110½	108½	7	6.3	Do. pref.	....	(110½ bid — asked)			
•2	2	.	...	Assoc. T. & T.A.	....	(— bid 7 asked)			
§24	24	♦48c	...	Do. pref.	....	(— bid 24 asked)			
§103	101	5.50	5.3	Ault & Wiborg	....	(100 bid — asked)			

B

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
147	140	8	5.5	Bk. Can. Nat.	....	(145 bid 150 asked)			
195	171	8	4.5	Bk. Montreal	49	181	180	175	175
285	275	12	4.3	Bk. N. Scotia	49	278	280	275	275
250	244	10	4	Bk. Toronto	26	248	248	244	244
•5	4½	.	...	Barcelona	....	(— bid — asked)			
1.25	.55	.	...	Barker's Bread	....	(.35 bid 1.50 asked)			
22	16	2.50	15.6	Do. pref.	15	22	16	16	16
13	10	1	9.9	Bathurst Pr.	240	10½	10½	10	10½
2½	1½	.	...	Do. (B)	5	2	2	2	2
2½	2	.	...	Beath & Sons	....	(2½ bid 4½ asked)			
8	4½	.	...	Beatty Bros.	50	6	6	5½	5½
102½	101	6	5.9	Do. pref.	....	101½ bid 104 asked			
§90	88	7	7.9	Do. 2nd pref.	....	(85 bid 90 asked)			
10½	6½	.	...	Beauharnois	478	9½	9½	9½	9½
80	80	4	5	Belding Cort.	....	(— bid 90 asked)			
127	127	7	5.5	Do. pref.	....	(124 bid 136 asked)			
160½	140½	8	5.6	Bell Telephone	1146	149½	149½	140½	140¾
6½	5	30c	..	Bertram & Sons	50	6½	6½	6½	6½
8¾	7½	60c	7.7	Biltmore Hats	75	7½	7¾	7¾	7¾
6	5	.	...	Blue Ribbon	....	(— bid 6 asked)			
37½	32	2.50	7.2	Do. pref.	....	(32 bid 34 asked)			
21½	20	1.30	6.1	Brant. Cord. pf	55	21½	21½	21½	21½
7¾	5	.	...	Brazilian Tr.	2314	6	5¾	5½	5¾
5½	3½	50+10c	.	Brew. & Distil.	25	4½	3¾	3¾	3¾
6½	6½	30c	4.6	Bright, T. G.	280	6½	6½	6½	6½
90	90	6	6.7	Do. pref.	35	..	90	90	90
18¾	15½	1	6.2	Brit. Amer. Oil	915	16½	16¾	16	16½
12¾	10	.	...	B. C. Packers	177	10	10½	10	10
26½	22½	2	8.8	B. C. Power A.	215	23	23	22¾	23
1.75	1.00	.	...	Do. (B)	....	(1.25 bid — asked)			
6	4½	.	...	Bruck S. Mills	190	5	5	5	5
15¾	13¾	70+10c	5.7	Building Prod.	•1505	15	14¾	13½	13½
10¾	7¾	60c	7.5	Burlington St'l	10	8	8	8	8

C

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
§70	70	.	...	Calgary Power	....	(— bid 70 asked)			
102½	101	6	5.9	Do. pref.	....	(1.00 bid — asked)			
2½	2	.	...	Canada Bread	....	(2 bid 2½ asked)			
100	95	5	5	Do. pref.	5	99	100	100	100
40	35	2.50	6.2	Do. pref. B.	....	(36½ bid 53 asked)			
4¾	3¾	40c	10.7	Canada Bud	....	(3¾ bid 4½ asked)			
7	4½	.	...	Canada Cement	....	(4¾ bid 5 asked)			
100	94	5	5	Do. pref.	175	98½	99½	96	98
5¾	5¾	10c	...	Can. Cr. Stone	....	(— bid 5 asked)			
105½	102¾	5	4.8	Canada Cycle, p	....	103¾ bid 106 asked			
27	23½	1.50	6	C. & D. Sugar	60	25	25	25	25
18	15	1.50	9.4	Can. Forg. (A)	60	16	16	15½	15½
§22	13	♦1.50	6.8	Do. (B)	....	(— bid — asked)			
§40	40	4.50	...	Can. Iron	....	(35 bid — asked)			
72	70	3	...	Do. pref.	....	(72 bid — asked)			
§390	390	20	5.1	Canada Life	....	(380 bid — asked)			
§4	1	.	...	Can. Mach'y	....	(3½ bid — asked)			
§32	25	♦3.50	...	Do. pref.	....	(98 bid — asked)			
39	33	2+50c	7.2	Can. Malting	312	36½	35½	33	34¾
8¾	6	1	...	Can. Nor. Pr.	110	6½	6½	6½	6½
99	92½	7	7.4	Do. pref.	22	94	94	92½	92½
87½	77	3+1	5	Can. Packers	....	(77 bid 79¾ asked)			
§.25	.25	.	...	Can. Paving, c.	....	(— bid .25 asked)			
136	121	8	6.5	Can. Perman.	....	(122 bid 128 asked)			
9	8	♦1	...	Can. Starch	125	8	8	8	8
108	108	7	6.5	Do. pref.	....	(108 bid — asked)			
5½	3	.	...	Can. Steamsh's.	800	4½	4½	3¾	4½
22¾	16	2.50	13.9	Do., pref.	238	18½	18	17¾	18
8	6½	40c	5.3	Can. Vinegars	50	7½	7½	7	7½
61	54	4	7.3	Can. W. Cable	15	57	55	55	55
23	17¾	♦1.25	6.9	Do. (B)	15	18	18	18	18
107	107	6.50	6.1	Do. pref.	....	(106½ bid — asked)			
¾	½	.	...	Can. Bakeries	....	(— bid 50 asked)			
29	20	‡2	...	Do. pref.	....	(22 bid 29 asked)			
163	149	8	5.3	Can. Bk. Com.	81	151	150½	149	149
1.00	.50	.	...	Can. Breweries	400	.85	.85	.80	.85
25	20	3	13.3	Do. pref.	85	22	22½	22½	22½
36	34½	1.50+50c	6	Can. Bronze	....	(34½ bid 36 asked)			
105	103	5	4.8	Do. pref.	....	(105 bid — asked)			
6½	5	50c	...	Can. Canners	10	5½	5½	5½	5½
20	18	1+10c■	5.6	Do. 1st pfd.	195	19½	19½	19	19½
10	8	60+10c■	8.2	Do. 2nd pf.	70	8	8½	8½	8½
10	5½	.	...	Can. Car & F'y	196	6½	6	5¾	6
27½	19	44c	...	Do. pref.	275	21½	21½	21	21½
29	19½	1	5	Can. Celanese	265	21	21	19¾	20
124	113	7+60c■	..	Do. pref.	149	115	115	113½	113½
23	22½	1	4.3	Do. Rights	....	(23 bid — asked)			
19	15	1	5.9	Can. Convert.	....	(16 bid 18 asked)			
106½	90	4+2	5.7	Can. Cottons	....	(— bid 107½ asked)			
117	105	6	5.1	Do. pref.	....	(115 bid 120 asked)			
22	15½	.	...	Can. Dredge	150	16	16	15½	15½
100	99½	6	6	Can. Fairb. pf.	....	(97 bid — asked)			
11	9	1.40	...	Can. For. Inv.	....	(9 bid 11 asked)			
105	104	8	7.6	Do. pref.	....	(— bid — asked)			
220	210	8	3.7	Can. Gen. Elec.	....	(210 bid — asked)			
8½	7	50c	6.7	Can. G. Inv.	50	7½	7½	7½	7½
3	1½	10c	..	Can. Ind. Alc.	395	2½	2½	2½	2½
2¾	1¾	10c	...	Do. (B)	170	1¾	2	2	2
208	180	7	3.7	Can. Indust. B.	....	(— bid 182 asked)			
176	167	7	4.1	Do. pref.	2	167	170	170	170
§.30	.10	.	...	Can. Int. L. Tr.	....	(.30 bid .50 asked)			
50	41	2	4	Do. pref.	....	(40 bid 50 asked)			
14	12	1	7.4	Can. Lt. & Pr.	....	(13 bid 18 asked)			
9	7	.	...	Can. Locomo.	45	8	8	8	8
.95	.65	4c	...	Can. Marconi	300	.75	.75	.75	.75
17	12½	50+50c	6.7	Can. Oil	....	(13¾ bid 16 asked)			
121	118	8	6.8	Do. pref.	....	(115 bid 120 asked)			
6½	4½	.	...	Can. Pacific	5231	5	5½	5	5½
.50	.10	.	...	C. Pr. & Pa. In.	....	(.25 bid .50 asked)			
2½	1¾	.	...	Do. pref.	....	(2 bid 2½ asked)			
3½	2	.	...	Can. Vickers	20	2	2	2	2
15	10	.	...	Do. pref.	....	(11 bid 14 asked)			
9	9	1	...	C. Wallpaper A.	....	(9 bid 10 asked)			
9	8	1	...	Do. (B)	....	(9 bid 10 asked)			
45	42	‡1.37½	..	Can. West'ho'se	....	(— bid — asked)			
4	3¾	15c	...	Can. Wineries	40	3¾	3¾	3¾	3¾
20½	18¾	1.50	7.9	Can. Wire Box	....	(14 bid 19½ asked)			
1.25	1.00	.	...	Capital Estates	....	(.85 bid 1.20 asked)			
119	119	5	4.2	Carnation, pfd.	....	(118½ bid — asked)			
9½	7¾	50c	...	Catelli Food	....	(7½ bid 9¾ asked)			
10	9½	75c	7.5	Do. pref.	45	10	10	9¾	9¾
2.00	1.70	.	...	Celtic Knit.	....	(1.60 bid — asked)			
155	155	8	5.2	Cent. Can. L'n.	....	(— bid — asked)			
92	90	4	4.4	Chart. Trust	....	(— bid 90 asked)			
.32	.15	.	...	Chem. Research	600	.16	.15	.15	.15
.40	.30	.	...	City Gas & El.	....	(— bid .40 asked)			
.10	.10	.	...	Claude Neon	....	(.05 bid .10 asked)			
1.50	1.25	12c	..	Coast Brew.	....	1.27 bid 1.30 asked			
6½	4½	.	...	Cockshutt Plow	35	4½	4½	4¾	4¾
1.95	1.50	15c	...	Comm. Alcohol	475	1.65	1.90	1.55	1.90
6	5	40c	8	Do. pref.	....	(— bid 5½ asked)			
4	4	‡25c	..	Conduits Nat.	....	(3½ bid 4½ asked)			
14	9	‡40c	...	Cons. Bakeries	280	10	10	10	10
.03	.02	.	...	Cons. Div. Sec.	64	.02	.02	.02	.02
8	7½	75c	...	Do. pref.	5	8	7½	7½	7½
4	2½	.	...	Cons. Paper	1108	2¾	3	2½	2¾
4	3	.	...	Cons. Press	....	(— bid 4¾ asked)			
§75	55	♦4.75	..	Cons. Sand, pf.	....	(75 bid 82½ asked)			
39½	32½	♦1+1.25	6.8	Cons. Smelt.	1125	34	34	32½	33
145	120	8	6.5	Consumers' Gas	85	125	123½	120	120
40	30	3.50	..	Corr. P. Box, p.	....	(40 bid 67½ asked)			
25	22	1.20+15c	6	Cosmos Imp.	320	24	23	23	23
31	27½	2	7.3	Crown Cork	40	29	27½	27½	27½
1½	1½	.	...	Crown Dom. Oil	....	(1½ bid — asked)			
33	28	3	9.8	Crow's N. Coal	20	33	30¾	30¾	30¾
1.05	.50	.	...	Cub Aircraft	....	(.55 bid .70 asked)			

D, E

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
10½	9¾	1	...	David & Fre. A	....	(— bid 12 asked)			
1.60	1.40	.	...	Do. (B)	....	(— bid 2.00 asked)			
8½	7	.	...	de Havilland	....	(7 bid — asked)			
75	75	♦7	...	Do. pref.	....	(— bid — asked)			
1.50	1.00	.	...	Disher Steel	....	1.10 bid 1.40 asked			
10	10	♦1.50	..	Do. pref.	....	(— bid 14 asked)			
28½	19½	2.22	10	Distill-Seagram	1250	20	20½	19½	20
97½	93	5	5.3	Do. pref.	....	(80 bid 93 asked)			
§39¾	39¾	2.50	...	Dom. Ang. Inv.	....	(30 bid — asked)			
70	70	5	7.2	Do. pref.	....	(70 bid 84 asked)			
200	185	10	5.3	Dom. Bank	39	191	187½	187	187
27½	21½	1.20	5.4	Dom. Bridge	240	22½	22	21½	21½
21	17¾	1.50	7.9	Dom. Coal, pf.	85	19	19	18½	18½
28	25	.	...	Dom. Engineer.	....	(15 bid 25 asked)			
24	17	1	5.4	Dom. Foundries	85	18¾	18¾	18½	18½
107	105	6	5.7	Do. pref.	....	(105 bid 110 asked)			
126	115	5	4.3	Dom. Glass	....	(— bid 115 asked)			
155	140	7	4.8	Do. pref.	88	150	145	140	140
29½	29½	1.20+40c	..	Dom. Oilcloth	....	(— bid 29 asked)			
.45	.45	.	...	Dom. Scot. Inv.	....	(.45 bid .80 asked)			
25	25	‡1.55	...	Do. pref.	....	(20 bid 27 asked)			
1¾	1½	.	...	Dom. Square	10	1¾	1¾	1¾	1¾
9¾	6	.	...	Dom. St. & C.B.	214	6¾	6¾	6	6¾
5½	3½	.	...	Dom. Stores	140	4½	4½	4	4
5½	3½	.	...	Dom. Tar & Ch.	....	(4½ bid 5 asked)			
88	83½	5.50	6.5	Do. pref.	....	(— bid 86 asked)			
83	70¾	5	7	Dom. Textile	220	71	71	70¾	71
155	140	7	4.7	Do. pref.	45	155	150	150	150
1.75	.75	.	...	Dom. Woollens	....	1.00 bid 1.50 asked			
8	6	60c	...	Do. pref.	50	6¾	6¾	6¾	6¾
5¾	3	.	...	Donnacona P.A.	260	3½	3½	3½	3½
5½	3	.	...	Do. (B)	10	3	3	3	3
5½	4	.	...	Dryden Paper	80	4½	5	4	5
.50	.50	.	...	East Koot. Pr.	....	(— bid — asked)			
10	7	.	...	Do. pref.	65	10	8	8	8
.65	.25	.	...	East Dairies	....	(.50 bid 1.00 asked)			
9	5½	.	...	Do. pref.	....	(5½ bid 7 asked)			
13½	10	1	9.8	East Steel	....	(10½ bid 12½ asked)			
§6½	6½	.	...	East Theat.	....	(— bid 7 asked)			
3	2½	.	...	Easy Washing	....	(2½ bid 3 asked)			
23	22	1.37½	..	Economic Inv.	....	(21½ bid 26 asked)			
8	6	20c	...	Electrolux	50	6½	6	6	6
3	2	.	...	Enam. & Heat.	....	(1 bid — asked)			
29	23¾	2.50	10	English Electric	....	(— bid 25½ asked)			
5¾	3	.	...	Do. (B)	12	4	5	3½	5
5½	5	15c	2.7	Equitable Life	25	5½	5½	5½	5½

F, G

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
3	2	.	...	Fairchild Air	125	2	2	2	2
20	16	1	5.6	Fam. Players	737	18	18	16	17
28	22¾	1.50+25c	7	Fanny Farmer	415	23½	23½	23	23
6	3¾	.	...	Fleet Aircraft	290	3¾	4	3½	3½
§1.50	.75	.	...	Fleury Bissell	....	(.20 bid .75 asked)			
15	13	.	...	Do. pref.	....	(12 bid 14 asked)			
16½	14¾	1	6.5	Ford Motor A.	1317	15½	15½	15	15½
15	15	1	6.7	Do. (B)	....	(15 bid — asked)			
§.20	.05	.	...	For. Pr. Secs.	....	(— bid — asked)			
12½	10¾	50c	...	Foundation Co.	....	(11 bid 11¾ asked)			
9	4½	.	...	Fraser Cos.	25	7	7	7	7
10½	7	.	...	Do. Vot. Tr.	25	8	8	8	8
§.50	.50	.	...	Freiman	....	(— bid — asked)			
42	41	.	...	Do. pref.	....	(41 bid — asked)			
9¾	6½	80c	10.7	Gatineau Pwr.	210	8	7½	7½	7½
90	78	5	6.3	Do. pref.	8	80	79	78	78
95½	85	5.50	5.8	Do. 5½% pref.	1	87½	94	94	94
1.25	.25	.	...	Do. Rights	10	.25	.25	.25	.25
6½	4½	.	...	Gen. St. Wares.	....	(4½ bid 5 asked)			
94	88	7+27c■	7.8	Do. pref.	70	89	90	89	90
80	67¾	2.50+1.50		Goodyear Tire	....	(67 bid — asked)			
56	53	2.50	4.6	Do. pref.	25	54	55	54½	54½
•50	50	1	...	Gould Pumps, p	....	(— bid — asked)			
4	2½	.	...	Gt. Lakes Pap.	....	(2¾ bid 3½ asked)			
§29	18½	25c	..	Do. pref.	....	(— bid 21 asked)			
3½	1¾	.	...	Do. Vot. tr. c.	75	3	3½	3	3½
19¾	14½	25c	...	Do. Vot. tr. p.	15	16½	15½	15½	15½
5	1¾	.	...	Gt. W. Saddlery	....	(4½ bid 5 asked)			
30	25	2.25	...	Do. pref.	....	(25 bid 30 asked)			
11½	9¾	60c	6.1	Greening Wire	200	10	10	9½	10
§1.25	1.25	10c	...	Growers' Wine	....	(— bid — asked)			
4½	2½	.	...	Gurd, Chas.	....	(3 bid — asked)			
§107½	106½	.	...	Do. pref.	....	(— bid 106 asked)			
3½	2¾	.	...	Gypsum, Lime	140	3	3	3	3

H, I

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
§21½	21½	1	...	Halifax Fire	....	(— bid — asked)			
5½	2¾	.	...	Ham. Bridge	175	3	3½	3½	3½
36	34½	2+1.50▲	5½	Ham. Cot., pf.	15	35½	35½	35½	35½
.75	.75	.	...	Ham. U. Theat.	....	(55 bid 75 asked)			
72	65	‡1.25	..	Do. pref.	1	72	70	70	70
3½	2½	20+5c■	..	Harding Carpet	....	(2¾ bid 3 asked)			
.25	.25	.	...	Hillcrest Coll.	....	(.25 bid — asked)			
3½	2½	.	...	Do. pref.	....	(2½ bid — asked)			
10½	8½	50c	5.2	Hinde & Dauch	130	9	9½	9	9
•20	20	.	...	Holt Renfrew	....	(— bid 14 asked)			
35	35	.	...	Do. pref.	....	(35 bid 60 asked)			
17½	14	2	13.1	Honey Dew	....	(15 bid 19 asked)			
14¾	10½	.	...	H. Smith Pap.	80	12	12	12	12
101	98½	6	6.1	Do. pref.	10	99	99	99	99
18	14½	1	6.7	Humberstone S.	....	(14 bid 18 asked)			
4½	3½	.	...	Hunts (A)	....	(3½ bid 5 asked)			
5	2	.	...	Do. (B)	....	(3½ bid 7 asked)			
56	52	4	7.5	Huron & E. Mt.	....	(54½ bid 60 asked)			
9	8	80c	...	Do. 20% pd.	....	(9½ bid 11 asked)			
.80	.75	.	...	Hydro Electric	....	(.60 bid 2.00 asked)			
205	192	10	5.1	Imperial Bank	45	196½	196¾	195	196
10½	8¾	50c	5.6	Imperial Oil	5180	9½	9½	8¾	9½
14	11	40+22½c	5	Imperial Tob.	2139	12¾	12½	11¾	12½
8	7	6%	4	Do. pref.	10	7½	7	7	7
16	12½	♦1.75	..	Indust. Accept.	....	(12½ bid 13 asked)			
§36	25	3	..	Inter-City Bak.	....	(20 bid 36 asked)			
50	50	‡3+1	..	Inter'c Coal	....	(40 bid 50 asked)			
§120	120	8	6.7	Do. pref.	....	(— bid — asked)			
16¾	14½	1.50	10.1	Inter. Bronze	145	15	14¾	14½	14½
25	20	1.50	7.5	Do. pref.	10	20	23	23	23
.25	.25	3c	...	Int. Coal & C.	....	(.25 bid .40 asked)			
9½	6	.	...	Int. Metal Ind.	75	7½	7½	7½	7½
105	93	6+3▲	6	Do. pref.	....	(7½ bid 8½ asked)			
100	93½	6+3▲	6.4	Do. pref. A.	....	(92 bid 100 asked)			
115¾	112½	5	4.4	Int. Mill., pf.	100	112½	115	115	115
36¾	29¾	2	6.7	Int. Nickel	4235	32	32½	29¾	29¾
2½	2	.	...	Int. Paints	....	(2½ bid 3½ asked)			
§18	11	1+25c▲	..	Do. pref.	....	(13½ bid 20 asked)			
16½	14½	.	...	Int. Pap. & P.	....	(— bid — asked)			
74½	68	5+1.25▲	7	Do. pref.	35	68	70	70	70
15¾	13¾	1	7	Int. Pete.	1933	14½	14¾	13¾	14½
3½	2½	.	...	Int. Power	10	2½	2½	2½	2½
89	84	7	8.3	Do. pref.	10	84½	84	84	84
•11¾	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3¾	.	...	Do. (B)	....	(— bid 4 asked)			
7	5	.	...	Int. Util. (A)	....	(6 bid 10 asked)			
.25	.10	.	...	Do. (B)	225	.10	.15	.15	.15

J, K, L

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
13	13	68c	5.2	Jam. Pub. Ser.	....	(— bid 13½ asked)			
§135	128	7	5.5	Do. pref.	....	(— bid 129 asked)			
11	8	1	...	Kelvinator	....	(9½ bid 10½ asked)			
11	6¾	.	...	L. St. John Pr.	145	6½	8	8	8
1.00	.65	.	...	Lake Sulphite	....	(— bid .90 asked)			
16	11½	♦1	...	Lake of Woods	120	13	13	12½	12
113	110	7	6.4	Do. pref.	10	110	110	110	110
53	44	4	8.9	Landed Bank	....	(45 bid 55 asked)			
12	10	70+12½c		Lang, J. A.	....	(9¾ bid 13 asked)			
•3½	2½	.	...	Langley's	....	(.50 bid 1.00 asked)			
25	15	2	...	Do. pref.	25	25	25	25	25
10½	8¾	80c	8.8	Laura Secord	420	9½	9½	9	9
12	6½	.	...	Legare, pref.	100	9	9½	9½	9½
3½	3	♦15c	...	Levy Bros.	....	(2½ bid — asked)			
6½	4½	.	...	Lindsay, C. W.	....	(4½ bid 6½ asked)			
50	50	.	...	Do. pref.	....	(40 bid 50 asked)			
27	24	1+25c	4.9	Loblaw (A)	360	25½	25¾	25	25½
26	22	1+25c	5.4	Do. (B)	219	23½	23½	23½	23½

M

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
1.00	1.00	.	...	Mackenzie Air	200	1.00	1.00	1.00	1.00
2	2	.	...	Mac'in. Steel	....	(— bid 4 asked)			
55	55	1.25	...	Do. pref.	....	(— bid 75 asked)			
15¾	11	.	...	Maclaren Pr. p.	....	(12½ bid 13½ asked)			
8½	7	.	...	M. L. Gardens	....	(8½ bid 10 asked)			
7½	6	70c	10.8	Do. pref.	....	(6½ bid 7 asked)			
2.75	1.40	.	...	Maple Leaf M.	20	1.50	1.50	1.40	1.50
4¾	2½	.	...	Do. pref.	....	(3½ bid 3½ asked)			
16½	15	70+10c	..	Maritime Tele.	....	(— bid — asked)			
16	16	70c	4.4	Do. pref.	6	..	16	16	16
14¾	14¾	.	...	Marcus Loew's	....	(15½ bid — asked)			
•100	100	7+1.75▲	...	Do. pref.	....	(— bid — asked)			
3¾	2	.	...	Massey-Harris	275	2¾	2¾	2½	2½
37	25	.	...	Do. pref.	175	32½	32½	30½	31
5¾	3½	.	...	McColl Fron.	136	4½	4½	3¾	3¾
98	92	6	6.5	Do. pref.	35	93	93	92	92
1.25	.75	.	...	Melchers	....	1.00 bid 1.75 asked			
5½	5	30c	...	Do. pref.	52	5½	5½	5½	5½
•1½	1½	.	...	Mercantile Tran	....	(1¾ bid — asked)			
•5	5	6%	...	Do. pref.	....	(43½ bid — asked)			
7½	4½	.	...	Mercury Mills	15	4½	5	4½	4½
47	45	2.50	5.6	Mitchell, J. S.	....	(— bid 50 asked)			
9½	7½	♦50c	...	Mitchell, Robt.	....	(8 bid 9½ asked)			
16¾	15	80+40c	7½	Mod. Contain.	25	16	15½	15½	15½
98	98	5.50	5.6	Do. pref.	....	(— bid 100 asked)			
§6	2	.	...	Monarch Knit.	....	(2 bid — asked)			
75	75	7	...	Do. pref.	....	(50 bid 65 asked)			
64	55	4	6.7	Montreal Cot.	....	(60 bid — asked)			
118	113	7	6.2	Do. pref.	....	(113 bid — asked)			
1.00	.25	.	...	Mont. Is. Pr.	26	.30	.30	.25	.25
29½	20½	1.50	6.8	Mont. L. & Pr.	2463	22½	22¾	21	22½
50½	48¾	.	...	Do. Notes	40	48¾	48¾	48¾	48¾
§15	15	1.25	...	Montreal Loan	....	(15 bid — asked)			
§.85	.16	.	...	Mtl. Refrig & S	....	(.50 bid .75 asked)			
§10½	6	1.25	...	Do. pref.	....	(9½ bid 11½ asked)			
30	25	3.20	12	Montreal Tele.	75	26	26½	26	26
52	20	.	...	Montreal Trams	22	25	25	24	24
47½	41	2+60c	5.8	Moore Corp.	434	45	45	43¾	43¾
188	179	7	3.9	Do. pref. (A)	25	180	180½	180	180
279	266	7	2.6	Do. pref. (B)	....	(259 bid — asked)			
.05	.05	.	...	Muirheads	....	(— bid .15 asked)			
§1	1	.	...	Do. pref.	....	(— bid — asked)			

N, O

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
27½	19¾	2	10	Nat. Breweries	607	21½	21½	19¾	19¾
38½	35	1.75	4.8	Do. pref.	110	36	36	36	36
5	2¾	.	...	Nat. Grocers	....	(3¾ bid 4½ asked)			
25½	24½	1.50	6	Do. pref.	100	24½	25	25	25
7½	7	.	...	N. Sew. Pipe A.	....	(7 bid 8 asked)			
38½	30¾	2	5.7	Nat. Steel Car	265	35½	35¾	34	34
150	140	8	5.7	National Tr.	20	150	140	140	140
§9½	9½	♦60c	...	Neon Prod.	....	(— bid — asked)			
25½	20	2	10	Niag. W. Weav.	....	(20 bid 24 asked)			
3	2½	.	...	Noorduyn Av.	....	(1 bid 2½ asked)			
.90	.40	.	...	North Star Oil	....	(.40 bid .90 asked)			
3¾	3	35c	...	Do. pref.	20	3½	3	3	3
86	86	6	7	N. S. L. & Pr.	....	(85 bid — asked)			
107	106	6	5.6	Do. pref.	....	(— bid — asked)			
21½	18½	1	5.2	Ogilvie Flour	255	19½	19	18½	18½
155	155	7	4.5	Do. pref.	10	155	155	155	155
111½	105	5	4.5	Ontario Loan	8	105	111½	111½	111½
§5½	2	.	...	Ont. Silknit	....	(— bid 4½ asked)			
45	35	1	...	Do. pref.	....	(— bid 39 asked)			
7	7	1	...	Do. Scripts	....	(7 bid — asked)			
10	8½	‡25c	..	Ont. Steel	....	(8½ bid 10 asked)			
§115	110	7	6.1	Do. pref.	....	(— bid 120 asked)			
2.00	1.25	.	...	Orange Crush	100	1.25	1.25	1.25	1.25
6½	4¾	70c	14	Do. pref.	100	5½	5	4¾	5
8½	5	‡20c	...	Ott. Car Air.	....	(5 bid 8½ asked)			
16	14	1.20	...	Ottawa El. Rly.	....	(14 bid 16 asked)			
11	6	60c	10	Ott. L. H. & Pr.	50	6	6	6	6
99	95	5	5.1	Do. pref.	....	(—bid 98½ asked)			

P, Q, R

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
23	23	‡43c	...	Pacific Coyle	....	(25 bid — asked)			
105	95½	5	5	Page Hersey	300	98	100	99½	99½
§6	3¾	.	...	Pantepec Oil	....	(— bid — asked)			
30	30	2	6.7	Paton Mfg.	....	(25 bid — asked)			
§115	115	7	6.1	Do. pref.	....	110½ bid 120 asked			
50	49	3	6	Penmans	....	(— bid 55 asked)			
123	120	6	5	Do. pref.	....	(120 bid — asked)			
16½	14½	1	6.2	Photo Eng.	....	(14 bid 17 asked)			
99	95½	7	7.1	Porto Rico Pr p	....	(96 bid 100 asked)			
6	3¾	15c	...	Power Corp.	135	3¾	3¾	3¾	3½
98	85	6	7	Do. pref.	6	89	89	85	85
43	35½	3	8.5	Do. 2nd pref.	....	(— bid 33 asked)			
9½	8	1	11.8	Pressed Metals	95	8	8	8½	8½
12½	9	.	...	Price Bros.	280	9½	9½	9	9
70	65	5.50	8.5	Do. pref.	....	(60 bid 65 asked)			
7	6	40c	6.6	Prov. Transport	10	6½	6½	6½	6½
14½	10½	1	8.7	Quebec Power	35	11¾	12	11½	11½
4	4	.	...	Que. Telephone	10	4	4	4	4
24	24	2	8.3	Real Estate L'n	....	(24 bid 28 asked)			
5	4¾	25c	...	Regent Knit.	20	5	4¾	4¾	4¾
18	15½	1.60	9.3	Do. pref.	14	17	17	15½	15½
4½	4½	.	...	Reliance Grain.	....	(2½ bid 4 asked)			
§66	64	6.50	10	Do. pref.	....	(55 bid 65 asked)			
17	15½	2	12	River S. Mill	....	(18½ bid 24 asked)			
§19½	12	60c	...	Rolland Pap.	....	(— bid — asked)			
11	9	60c	6.7	Do. Vot Trust	....	(— bid 9 asked)			
95	93½	6	6.4	Do. pref.	....	(93½ bid — asked)			
167½	148	8	5.3	Royal Bank	96	152½	152	149	150
16	14	80c	5.2	Russell Indust.	....	(15½ bid 16½ asked)			
160	145	7	4.7	Do. pref.	....	(150 bid 160 asked)			

S

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
107	103	5.50	5.2	Saguenay Pr.	11	103	105	105	105
34½	34½	‡25c	...	Sangamo	....	(— bid 33½ asked)			
9	6½	.	...	Sarnia Br. (A)	....	(6½ bid 7 asked)			
§2¾	1½	.	...	Do. (B)	....	(1 bid 2 asked)			
17	13	90c	6.8	Shawinigan, pr.	995	13½	13½	13	13
12½	8½	.	...	Sher. Wms.	....	(8½ bid — asked)			
115	109	7+1.75▲	6	Do. pref.	....	108½ bid 110 asked			
4½	3	.	...	Silverwoods	86	4	4	4	4
6½	5½	40c	...	Do. pref.	....	(5½ bid 5½ asked)			
6½	5½	60c	11.3	Simon & Sons	....	(5½ bid 6 asked)			
106	105	7	6.7	Do. pref.	....	(— bid — asked)			
11	9	.	...	Simpson, A.	....	(9 bid 11 asked)			
5	3	.	...	Do. (B)	....	(— bid 5 asked)			
100	91	6.50	7.1	Do. pref.	5	91	92	92	92
135	132	6	4.5	Simpson, R., pf.	....	(132 bid 140 asked)			
10½	9	80c	8.9	So. Can. Pr.	30	9	9	9	9
106	97	6	6.2	Do. pref.	59	98	98	97	97
2¾	1½	.	...	St. Law. Corp.	35	1¾	1¾	1¾	1¾
17	14½	1	6.9	Do. (A)	315	14½	14½	14½	14½
22	19	1+50c	7.9	St. Law. Flour	....	(18 bid — asked)			
112	110	7	6.4	Do. pref.	....	(110 bid — asked)			
40½	32½	2	6.2	St. Law. Pap. p	455	33½	33	32½	32½
10½	8	‡50c	..	Stand. Chem.	15	9	9	9	9
1½	1½	.	...	Stand. Clay	....	(1 bid 3½ asked)			
.90	.50	.	...	St. Pav. & Mat.	....	(.50 bid .75 asked)			
3¾	2½	31½c	...	Do. pref.	....	(3½ bid 3¾ asked)			
2¾	2¾	.	...	Stand. Radio	775	..	2¾	2¾	2¾
25	22	60+60c	5	Stedman Bros.	....	(— bid 22 asked)			
70	59½	3	4.6	Steel of Can.	175	64½	69½	64	64½
74	64	3	4.3	Do. pref.	210	69	69	68	69
3	2	.	...	Sterling Coal	....	(3 bid 4 asked)			
.15	.15	.	...	Stop & Shop	....	(— bid .20 asked)			
14	11½	80c	6.6	Stuart, D. A. pf	180	14	12	11½	11½
§3½	2¾	.	...	Supersilk H. A.	....	(— bid 2½ asked)			
3	3	.	...	Do. (B)	....	(3 bid 3 asked)			
§82	72	5	6.9	Do. pref.	....	(— bid 75 asked)			
30	23	1+50c	6.5	Sup. Pete. ord.	....	(23 bid — asked)			
27	25	1+50c	5.6	Do. com.	....	(23 bid 32 asked)			

T, U, V

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
11¾	10	80c	7.3	Tamblyn	45	10¾	11	10½	11
52¾	52½	2.50	4.8	Do. pref.	....	(53 bid — asked)			
§3	3	.	...	Thayers	....	(1½ bid 6 asked)			
§36	20	2.50	...	Do. pref.	....	(20 bid 35 asked)			
2	1	.	...	Thrift Stores	....	(1 bid 1½ asked)			
9	8	.	...	Do. pref.	....	(— bid 9½ asked)			
10	7¾	60c	7.5	Tip Top Tailors	1	7¾	8	8	8
107	100	7	6.9	Do. pref.	....	(100 bid 107 asked)			
1.50	1.50	.	...	Tooke Bros.	....	(1.00 bid — asked)			
13	12	.	...	Do. pref.	....	(12 bid — asked)			
21½	19	1	5	Tor. Elevators	....	(— bid 20 asked)			
45½	42	2.62½	5.8	Do. pref.	....	(43½ bid 47 asked)			
80	70	4	5	Tor. Gen. Tr.	....	(65 bid 70 asked)			
82	75	5	6.7	Toronto Mtge.	10	75	75	75	75
149	145	7	4.8	Tuckett Tob. p.	15	148	146	146	146
2	1	.	...	Twin City	37	1½	1	1	1
26½	26½	.	...	Do. pref.	....	(— bid — asked)			
14½	11½	80+20c	8	Union Gas	577	12½	12½	12	12½
13½	13	♦80c	5.9	Un. Amuse. A.	....	(13½ bid — asked)			
13½	13	♦80c	5.9	Do. (B)	....	(13½ bid — asked)			
.85	.60	.	...	United Distill	....	(— bid .80 asked)			
38½	31½	3	9.4	United Fuel, pf.	20	32	32	31½	31½
5¾	2¾	.	...	Do. B. pref.	5	3½	3½	3½	3½
4¾	4¾	.	...	United Secs.	....	(— bid 4 asked)			
4	2¾	.	...	United Steel	5	3	3	3	3
4	3½	.	...	Viau Bisc.	840	3¾	3½	3½	3½
60	55	5	8.9	Do. pref.	500	60	58	56	56

W, Y, Z

Range 1941 High	Low	Div R'te $	May 3 Y'ld %	Stock	Sales	Last Apr. 28	Week end. May 5 H	L	Cl'se
28½	28½	2	8.3	Wabasso Cot.	....	(23½ bid — asked)			
48	36½	4	10.5	Walker-Good.	680	39½	39½	37	37½
20½	19½	1	5.1	Do. pref.	870	19¾	20	19½	19½
.80	.60	♦5c	...	Walkerville Br.	....	(.65 bid .75 asked)			
§135	120	7	5.4	W. Koot. Pr. pf	....	(— bid — asked)			
1.75	1.00	.	...	West. C. Flour	....	1.00 bid 1.25 asked			
25½	18	.	...	Do. pref.	....	(16 bid 20 asked)			
60	46	3+1	7.3	West Grocers	....	(— bid 60 asked)			
115	111	7	6.1	Do. pref.	....	(96 bid 110 asked)			
§11¾	11¾	50c	4.2	W'minster Pap.	....	(— bid — asked)			
11½	9	80c	8.6	Weston Ltd.	15	9½	9¾	9¾	9¾
98	90	5	5.4	Do. pref.	....	(89¾ bid — asked)			
18½	15¾	1	6	Wilsils	50	16¾	16	16	16
1.15	.50	.	...	Winnipeg El. A	259	.60	.75	.50	.75
1.40	.65	.	...	Do. (B)	155	.80	.80	.75	.75
8	4	.	...	Do. pref.	....	(4 bid — asked)			
85	74	7	8.5	Wood A. & J. p	10	74	82	82	82
50	45	.	...	Woods Mfg., pf.	30	50	50	50	50
5½	5	20c	...	York Knitting	....	(5 bid 5½ asked)			
•100	100	7	7	Do. 1st pref.	....	(— bid — asked)			
11	8½	80c	7.3	Zellers	5	11	11	11	11
24½	24½	1.50	6.1	Do. pref.	75	24½	24½	24½	24½

Quotations: § 1940. • 1939. ° 1938.
▲ On account of arrears. ♦ Paid in 1940.
■ Participating. ‡ Paid or payable in 1941 to date.

Mining Stocks

Week Ending May 5

A

Par Val.	Range 1941 High	Low	Company	Sales	Close Apr. 28 (or last)	High for week	Low for week	Close May 5
No	.17	.07	Aldermac	2,700	.09	.09½	.08½	.08½
1	.01½	.01	Amm. Gold	4,500	.01	.01	.01	.01
No	2.75	2.00	Anglo-Huronian	2,227	2.25	2.30	2.00	2.00

P, Q, R

Par Val.	Range 1941 High	Low	Company	Sales	Close Apr. 28 (or last)	High for week	Low for week	Close May 5
No	1.65	.90	Pamour	3,075	1.20	1.22	1.15	1.15
1	.08½	.03½	Pandora	2,100	.03½	.04½	.04	.04½
1	2.70	2.25	Pato Cons. G.	......	(2.50 bid 2.75 asked)			
1	.05	.02	Partanen Mal.	6,000	.03	.03½	.03	.03
1	.01	.00½	Pawnee Kirk	......	(.00½ bid .01 asked)			
1	.28	.18½	Paymaster	5,310	.19½	.19½	.19	.19½
1	2.10	1.20	Pend Oreille	1,100	1.25	1.27	1.25	1.25
1	1.69	1.25	Perron Gold	3,350	1.35	1.35	1.28	1.30
1	3.00	2.30	Pickle Crow	4,600	2.45	2.50	2.30	2.60
1	2.30	1.99	Pioneer Gold B.C.	935	2.05	2.10	2.00	2.10
1	9.50	9.00	Placer Devel.	......	(.... bid 10.00 asked)			
1	1.04	.62½	Powell Rouyn	100	.65	.62½	.62½	.62½
1	.95	.85	Premier Gold	800	.92	.94	.92	.92
1	3.40	2.70	Preston E. Dome	8,155	2.99	3.00	2.88	2.92
No	.20	.20	Prospectors Air's.	......	(.15 bid .59 asked)			
1	.25	.20	Quebec Gold	......	(.22 bid .27 asked)			
No	.05	.04	Quemont	......	(.03 bid .... asked)			
No	.03	.01½	Red Crest	......	(.02½ bid .04 asked)			
1	.10	.10	Reeves McDonald	500	......	.10	.10	.10
1	.13½	.10	Reno Gold	......	(.09 bid .12 asked)			
1	.00½	.00½	Robb Montbray	......	(.... bid .00¾ asked)			
1	.05	.02	Roche Long Lac	1,500	.02	.03½	.03	.03½

S, T, U, V, W, Y

Par Val.	Range 1941 High	Low	Company	Sales	Close Apr. 28 (or last)	High for week	Low for week	Close May 5
1	2.65	2.03	San Antonio	3,980	2.30	2.30	2.05	2.10
1	.07½	.04	Sand River	4,000	.05	.04½	.04½	.04½
1	.59	.36	Senator Rouyn	15,700	.44	.47	.42	.42
1	.04	.01	Shawkey	1,500	.01	.01½	.01½	.01½
50c.	.88	.73	Sheep Creek	5,500	.75	.73	.73	.73
1	.87	.60	Sherritt Gordon	5,071	.66½	.68	.65	.65
1	8.90	7.00	Sigma Mines	110	7.15	7.15	7.05	7.15
1	.69	.50	Siscoe	18,250	.65	.65	.56	.56
1	.43	.15	Sladen Malartic	3,700	.20½	.21	.15	.16
1	.19½	.08	Slave Lake	35,900	.10	.11	.08	.09
1	.15	.08½	St. Anthony	3,000	.10	.10½	.10	.10
No	1.78	.81	Steep Rock	11,800	1.00	1.05	1.00	1.00
No	.04½	.03	Straw Lake	4,000	.03½	.03½	.03	.03
1	.24	.15	Sturgeon River	1,500	.18	.16	.15	.16
No	1.65	1.10	Sudbury Basin	500	1.18	1.23	1.20	1.22
1	.05½	.03	Sudbury Contact	......	(.02½ bid .... asked)			
1	.66	.53	Sullivan Cons.	4,000	.55	.59	.53	.53
1	2.95	2.35	Sylvanite	1,490	2.46	2.58	2.35	2.35
1	3.75	2.95	Teck Hughes	3,035	3.10	3.10	3.00	3.00
1	.08½	.04	Temiskaming	600	.05½	.05	.04½	.05
1	1.80	1.50	Toburn Gold	125	1.70	1.60	1.55	1.60
1	.14	.08	Towagmac	......	(.09½ bid .12½ asked)			
No	.50	.25	Trans. Resources	1,500	.25	.25	.25	.25
1	.39	.06	Uchi Gold	25,625	.14	.12	.06	.07½
.	84.00	40.00	Do., Bonds	1,500	50.00	41.00	40.00	41.00
1	2.28	1.27	Upper Canada	15,040	1.87	1.89	1.84	1.85
No	4.25	2.75	Ventures	881	3.30	3.30	3.20	3.20
No	4.20	3.00	Waite Amulet	4,353	3.10	3.30	3.20	3.20
1	.26	.15	Wendigo	2,500	.20	.19	.16	.16
1	.01½	.01	Wiltsey Coughlan	......	(.01½ bid .01½ asked)			
1	.10	.05½	Wood Cadillac	2,600	.06	.06	.05½	.05½
No	7.05	5.25	Wright-Hargreaves	4,300	5.40	5.40	5.25	5.25
No	.08	.04	Ymir Girl	......	(.04½ bid .05½ asked)			

Oil Stocks

Par Val.	Range 1941 High	Low	Company	Sales	Close Apr. 28 (or last)	High for week	Low for week	Close May 5
No	.11½	.05½	Acme Gas & Oil	2,200	.07	.07	.06½	.06½
1	.09	.07	Alta. Pac. Cons.	200	.08	.07	.07	.07
1	.18	.10	Ajax	......	(.10 bid .... asked)			
No	.81	.46	Anglo Canadian	900	.46	.50	.49	.50
No	.12	.06½	Br. Dominion	......	(.05½ bid .... asked)			
No	.10	.05	Brown Oil	700	.07	.07	.06½	.07
No	1.49	1.08	Calgary & Ed.	925	1.12	1.11	1.08	1.10
1	.26	.18	Calmont	......	(.18 Apr. 23)			
No	.26	.20	Commoil	......	(.18 bid .22 asked)			
No	.22	.19½	Common Pete	500	.20	.21	.20	.20
No	.32	.20	Dalhousie	100	.22	.25	.25	.25
No	.16½	.11½	Davies Pete	......	(.12 bid .15 asked)			
No	.05	.02½	East Crest	4,000	.03	.03½	.03½	.03½

Oil Quotations

Par Val.	Range 1941 High	Low	Company	Sales	Close Apr. 28 (or last)	High for week	Low for week	Close May 5
1	.05½	.02½	Spooner	......	(.03½ bid .... asked)			
25c.	.14	.12	Sunset Oil	......	(.10 bid .14 asked)			
No	.04½	.03	United	......	(.03½ bid .04 asked)			
No	.04½	.04	Vanalta	......	(.03½ bid .04 asked)			
1	.38½	.20	Vulcan	......	(.25 bid .40 asked)			
No	*.05	.02	West Flank	......	(.... bid .... asked)			

* Quotations for 1940.

Winnipeg Stocks

(Transactions from Apr. 28 to May 3)

	Sales	High for period	Low for period	Close May 3
Great West Life	5	200.00	200.00	200.00
Sachigo River	5	2.50	2.50	2.50
United Growers	24	10.00	9.50	9.50
Wingold	5,600	.09	.06	.08½

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, pf.	27	30
Beav. Lumber, c.	3	5	Home Invest.	14	..
Beav. Lumber, p.	102	105	Nor. Can. Mtg. p.	5	..
Can. Airways	1	..	North. Trusts	7	..
Can. Indemnity	150	..	Traders Bldg.	43	..
Corr. P. Box, c.	60	..	West. Brew.	1.85	1.85
Cres. Cream., p.	11½	15	West. Grain, p.	..	9
Dom. Envelope c	8½	..	West. Steel	6	8
Dom. Envelope p	..	97½	Wings	.15	.75
Fed. Grain, c.	.50	..			

*Stocks more active on other exchanges not included.

Volume of Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
May 6	7,800	2,600	124,000	......
May 5	5,500	2,200	115,000	7,300
May 3	2,600	4,300	52,000	1,350
May 2	3,700	10,100	103,000	14,587
May 1	4,000	5,200	92,000	14,360
Apr. 30	8,100	7,600	120,000	25,050

Government Bonds

Dominion of Canada Bonds (Supplied by Investment Dealers' Assoc. of Canada)

May 6, 1941

%	Due	Bid	Ask	Approx. Yld.
5	Nov. '41	101¾	102¼	1.10
1½	May '42	100¼	100¾	.83
2	June '42	100¾	101¼	.75
3	Oct. '42	102¼	102¾	1.10
2½	June '43	101¾	102¼	1.21
5	Oct. '43	107½	108¼	1.56
2	June '44	100¾	101¼	1.46
a2½	Jan. '44	94¾	96¾	3.80
4½	Oct. '44	108¼	108¾	1.85
2½	Nov. '44	102¼	103	1.62
a2½	Aug. '45	93¾	95¾	3.79
4	Oct. '45	105	105¾	b1.60
4½	Feb. '46	109¾	110¼	2.13
3½	June '49	102¾	103¼	b2.51
3½	Oct. '49	102¾	103¼	b2.44
3½	Nov. '51	101¼	102¼	b2.91
3½	Feb. '52	101¼	102¼	b2.87
a5	May '52	100¼	‡101¼	b3.70
4	Oct. '52	105¾	106¾	b2.91
3	Oct. '52	98¼	99¼	3.07
3	June '55	98¼	99¼	3.07
4½	Nov. '56	107½	108¼	b2.89
4½	Nov. '57	108	108¾	b3.01
3	June '58	98¼	99	3.07
4½	Nov. '58	108¼	109¼	b3.11
4½	Nov. '59	109¼	110	b3.15
a4	Oct. '60	95¼	96¼‡	4.28
a3½	Jan. '61	87¾	89¾	4.06
3½	June '66	100¼	101	b3.17
a3e	Jan. '67	84¾	85¾	3.87
a3e	Nov. '68	84¾	85¾	3.85
†3	Perpet'l.	91	91¾	3.27
Dominion Guarant'd Bonds				
Can. Nat'l. Railways:				
2	Feb. '43	100¾	101¼	1.17
2½	Jan. '46	100¼	101¼	1.92
3	May '44	103	104	1.65
3	Dec. '50	99	100	3.00
3	Feb. '53	98	99	3.10
3	Jan. '59	96¾	97¾	3.17
*4½	Sept. '51	113¾	114¾	2.90
*4½	Feb. '56	113¾	114¾	3.25
4½	July '57	114¼	115¼	3.29

%	Due	Bid	Ask	Approx. Yld.
*4½	June '55	116	117	3.27
5	Feb. '54	116½	117½	3.33
*5e	July '69	113¾	114¾	b1.80
*5e	Oct. '69	118	119	b2.96
*5e	Feb. '70	117¾	118¾	b3.12
Grand Trunk Pacific Rly.:				
♦3	Jan. '62	97	98½	3.10
Provincial Gov't. Bonds				
New Brunswick:				
3	Oct. '51	87	89	4.31
3½	Aug. '49	90	92	4.40
3½	June '56	88	90	4.40
c4	Nov. '47	96	98	4.35
c4½	Apr. '61	96½	98½	4.62
c5	Jan. '60	102	104	4.68
Nova Scotia:				
3	Jan. '52	93	94½	3.61
3½	June '56	93	94½	3.72
3½	Nov. '50	97	98½	3.68
c4½	Sept. '52	104	106	b3.45
c4½	Nov. '60	107	110	3.78
c5	Mar. '60	114	116	3.83
Ontario:				
2½	May '45	99½	100½	2.36
3	Apr. '48	98¾	99¾	3.05
3	Nov. '50	98½	99½	3.09
3½	Nov. '51	99¾	100¾	b3.15
3½	May '55	99½	100½	b3.22
*4	June '62	104	106½	3.56
4½	June '50	108	109	3.34
*4½	Jan. '62	111	114	3.55
5	Oct. '48	110¾	111¾	3.27
*5	Dec. '60	118½	120½	3.53
5½	July '46	110¾	111¾	3.02
Ont. Hydro Commission:				
3	Aug. '48	98¾	99¾	3.05
3½	Feb. '53	99¾	100¾	b3.15
3½	Apr. '47	101½	102½	3.04
Prince Edward Island:				
3	Oct. '45	95	97	3.69
Quebec:				
3	Nov. '47	93	94½	3.96
3½	Mar. '48	94½	96	3.92
3½	Mar. '59	91	92½	4.09

%	Due	Bid	Ask	Approx. Yld.
3½	Feb. '55	95	96½	4.08
4	Mar. '52	98	99½	4.05
4½	Aug. '58	99	101	4.17
4½	Jan. '63	101	104	4.22
Alberta:				
4	Dec. '54	52	56	d
4½	Oct. '51	65½	69½	d
c4½	Oct. '56	54	58	d
*5	Oct. '59	56	60	d
c5½	Apr. '52	62	66	d
6	Mar. '47	66	70	d
British Columbia:				
c4	Dec. '57	96	100	4.00
*4½	Jan. '51	99	103	4.13
c4½	Oct. '53	99	103	4.20
c5	Apr. '54	102	106	4.40
5½	Feb. '45	100	104	4.33
6	Feb. '47	103	107	4.61
Manitoba:				
c4	Dec. '57	85	89	4.98
c4½	Dec. '56	88	92	5.25
*5	Dec. '59	92	96	5.34
5½	Oct. '55	92½	96½	5.85
6	Apr. '47	94½	98½	6.39
Saskatchewan:				
4	Sept. '54	66	70	7.60
4	Nov. '60	64	68	7.05
c4½	Oct. '51	80	84	6.62
c4½	Mar. '60	69	74	7.00
5	Aug. '58	74½	78½	7.18
5½	Oct. '52	76	81	8.06
6	Mar. '52	81	86	7.83

*–Payable Can., N.Y. and £. b–Calculated to call date giving lowest possible yield. c–Payable Can. & N.Y. a–Payable N.Y. †–Callable on or after Sept. 15, 1966. d–Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e–Callable at a premium. ‡–N.Y. funds.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

May 6, 1941

Industrials:	Bid	Ask.
Acme Farm., pf.	35	37
Andian National	26	27½
Anglo C. Tel., A	7½	8
Atlas Steel	20	25
Barrymore, pfd.	27	..
Blue T. Brew. A	9	10
Do., B	6	7
B. C. Pulp, c.	9	11
Do., pfd.	55	60
B. C. Sugar	73	76
B. C. Tel., 1st p.	110	114
Burns & Co., A	3¾	4¾
Do., B	2	3½
Can. Co-op. Wl.	8	..
C. I. L., A c.	190	..
Do., B	179	182
Can. Ing. Rand	73	78
Can. Mot. L.A.B.	2¾	..
Can. Tube, 1st p	90	..
Can. West'ghouse	43	45
Chase, A. W., p.	18½	20
Claude Neon, p.	5	6
Colonial Steam.	13½	16
Copeland Fl. un.	14	15¾
Dom. Manuf., p.	60	65
Dunlop T. p. $25	23½	24½
East. Steel, pf.	19½	22½
Easy Wash. p $10	10	12
Goderich Elev.	6¾	7½
Guelph Carp., c.	19	22
Gurney Fdry., p	1	1½
Hayes Steel, c.	..	9½
Hi'land Dairy, p	47	52
Homewood San.	100	120
Kingst. Ship. un	27½	30
Loblaw Inc., c.	10¾	12
Minn. & Ont. P. c	2¾	3
M'row Screw, p.	100	..
Do., com.	10	12
Moirs, pfd.	18	..
Mt. Royal H., c.	2½	..

	Bid	Ask.
Morrison Br. un.	4	5
N. B. Tel., c.	10	12½
Neilson, Wm., c.	9	..
Do., pfd.	100	..
N. Meth. Ldy. p	53½	57
Ont. Tobacco, p.	17½	20
Pac. C. Term., c.	9	10½
Paterson, Wm. p	103	..
Prov. Paper, pfd	104	105½
Ruddy, E. L., p.	23	25½
Stand. Fuel, p.	58	62
Stedman, pf. $50	56	58
Tor. Carpet, c.	39	..
Do., pfd.	64	67
Un. F. Co-op.	2½	3½
Un. Steel, A pf.	21¾	23½
Viceroy Mfg., p.	23½	..
Do., com.	12½	..
Westons Hold.	2¾	..
Trusts & Loan Stocks:		
Brit. Mtge.	122	132
Brockville Tr.	40	..
Capital Tr.	30	32½
Com. Fin., c.	2¾	3
Grey&Br. Tr. $50	42	46
Guaranty Trust	102	105
Guelph & O. $50	51	54
Indust. Mtge.	23	..
Lambton Loan	30	33
London & West.	33	37
Midland Loan	13½	15½
Premier Trust	60	65
Sherbrooke Tr.	120	..
Sterling Trust	55	..
Traders Fin. A c.	7	9½
Do., A pfd.	83	87
Trusts & Gr. new	50	52½
Victoria Trust	75	80
Waterloo Tr.	100	..
Insurance Stocks:		
Canada Life	400	415

	Bid	Ask.
Brit. Amer.	50	55
Canadian Fire	80	85
Confed. 30% pd.	135	140
Continental L.	35	..
Crown, fully pd.	250	265
Dominion Fire	138	..
D. of Can. Gen.	110	120
Empire, 25% pd.	6	7
Excelsior 38% pd	71	..
Federal, 25% pd.	53	..
Great-West Life	200	210
Halifax Fire	15	16½
Imperial Life	300	315
Manufac. Life	225	245
Monarch Life	32	..
National Life	24	28
Sov. L. 25% pd.	11½	..
Sun Life	300	320
Tor. General	5	5½
Wellington Fire	58	..
Western Assce.	40	44
Theatre Stocks:		
Allen's King., un.	60	..
Do. St. Cath. un	50	..
Mansf. Theat. p.	28	30½
Para. Kitch., p.	30	..
Do., Oshawa c	8	10
Investment Trust Shares:		
Can. Investors	4	5
Inv. Found. un.	40	45
Sec's Hold., pf.	18	21
United Corp., A	19	20
Do., B	4	5
Power Issues:		
Can. W. N. Gas	26	..
Do., pfd.	102	104½
Gt. Lakes Pr., p	102	104
Int. Ut., $1.75 p.	13	..
Do., $3.50 p.	32	..
Mtl. Is. Pwr., p.	38	..
Nor. Ont. Pr., p.	73	78

Unlisted Mines

Toronto, May 6, 1941

	Bid	Ask
Addington	.00½	.01½
Albany River		
(Old)	.04	.06
(New)	.10	.15
Amal Kirk	.05½	.06½
Anoki	.03½	..
Aquarius	..	.20
Arjon	.04	.04½
Armistice	.13	.14
Argosy	.07	.07½
Area	.03	.03½
Athona		
(Old)	.01	.02
(New)	.02	.03
Barb Lard	.01½	.02½
Bilmac	.01½	.02
Bonetal	.45	.50
Brock	.43	.45
Buf Bear	..	.03
Calder Bo	.02½	.03½
Central M	.02½	.03
Cheminis	.02¾	.03½
Coin Lake	.03½	.03¾
Cons Chib	.05	.07
Crescent	.00½	.01
Dayton	.01	.02
Demp Cad	.00¾	.01½
Denovo	.10	.12
Desants n	.16	.19
Dona Pat	.01½	.02

	Bid	Ask
E Lacoma	.00½	.01
Elmos	.05	.07
Franco	.16	.21
Galore	.01½	.02
Gan Cop	..	.07
Gate Pat	.00¾	.01½
Gilbec	.00¾	.01½
Gord Leb	.00½	.00¾
Highridge	..	.10
Hoyle nw	.24	.27
Hugh PaP	.05½	.06½
Hutch Lke	.01	.01½
Jasper	.12	.14
Keora	.02	.02½
Kenricia	.01	.02
Kewaga'a	.01½	.02
Kiena	.01½	.03
Kirk Gate	.01	.02
Lacoma	.01½	.01¾
Laguerre	.13	.16
Lake Duf	.15	.15
Lake Gen	.06½	..
Lardego	.00½	.01
Lw Pete	.13	.16
Magnet C	.79	.83
Magnet L	.18	.21
Magwell	..	.02½
Martin Br	.02½	.03½
Margaret	.09	.10
Mata Can	.02½	.03

	Bid	Ask
Mata Con	.16	.19
McLellan	.20	.22
McMar'ac	.35	.37
MofHal n	.02	.03½
Monarch	.01	.02
Mooshla	.01½	.02
Mosher	.04	.04¾
McGreg	.01½	.02
McManus	.01½	.02½
Nat Mal	.26	.28
New Aug	.27	.30
New Roy	.00½	.01
Nickel O	.80	.95
Norbeau	.16	.22
Northland		
(1940)	.05	.06
Norwin	.05	.06
Numlake	.09	.11
Oklend	.04	.04¾
O'Leary	.01½	.02½
Ont Nickel	.06	.07½
Opemiska	.03½	..
Oriole	.00¾	.01½
Orpit	.08	.09
Pascalis	.28	.32
Pontiac R		
(Old)	.02¾	..
Pelangio	.01½	.02½
Phoenix	.02½	.03
Polaris	.07	.09

	Bid	Ask
Propri'y	2.65	2.80
Presdor	.04	.04½
Queb Man	.06	.07½
Rahn Lake	.00½	.01½
Rand Mal	.05	.06
Red Lake	.01	.01½
S.A.G.A.	1.25	1.75
Sachigo	2.90	3.25
Sanshaw		
Special	.07	.09
Mines L	.04	.07
Senore	..	.08
Shenango	.02½	.03
Sheldon	.04½	.06
Siscoe Ex	.01½	.02½
Skynner	..	.03
Smelt G	.00¾	.01½
Spooner	..	.02½
Sunbeam	.03	.04
Springer	.16	.17
Stadacona	.05	.07
Thomson	.11	.13
Thomp Cd	.01	.02½
Treaty Pt	.05	.10
Union Min	.02½	.03½
Wasu	.04	.06
West Red	.01	.01½
Woco	.02	.03
Y David'n	.25	.27

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

May 6, 1941

Public Utility Issues:	Int. Rate %	Due	Bid May 6	Asked	Bid Apr. 29
▲‡Alg. C. H.B.R.	5	'59	5½	7½	5½
†Assoc. Tel & T.	5½	'55	69½	72½	69½
B. C. Power	4½	'60	98½	100½	98½
B. C. Tel.	4½	'61	106½	108½	106½
†Calgary Pwr.	5	'60	105½	...	106½
Do.	5	'64	102	...	102
†Can. Nor. Pwr.	5	'53	102½	104½	102½
*Dom. Gas & El.	6½	'45	101	103	101
Gatineau Pwr.	5	'49	100	102	99½
*Do., A	3¾	'69	97	99	97
♦Do., B	3¾	'69	96½	98½	96½
Gt. Lakes Pwr.	4½	'56	98½	100½	98½
Do.,	5	'57	95½	98½	95½
*Int. Hydro-E.	6	'44	54½	57½	54½
▲Inter. Power	6	'55	101	103	101
L. St. Law Pwr.	5	'55	97	99	97
Macl'n-Que. Pr.	4	'59	94½	96½	95
Mtl. L. H. & P.	3½	'56	100	102	101
Do.,	3½	'73	96	98	96½
Do.	3½	'63	97	99	97½
†Mtl. Tramways	5	'41	86	89	85½
†Do.	5	'55	54½	57½	55
Nat. Lt. & Pwr.	6	'49	100	102	100½
N. S. Lt. Pr.	4	'57	100½	102½	100½
Ottawa L.H.&P.	4	'57	100½	102½	100½
Ottawa V. Pwr.	5	'59	101½	103½	101½
†Power Corp.	4½	'59	93½	96½	93½
Quebec Pwr.	4	'68	100	102	100
*Saguenay P., A	4½	'66	108	...	108
♦Do., B	4½	'66	105	107	105
St. Maurice Pr.	4½	'70	99	101	99
Shaw. W. & Pr.	4	'61	100	102	100
Do.	3½	'46	100	102	100
Do.	4	'69	99½	101½	99½
Union Gas	4½	'50	102½	104½	102½
*Twin C. R. Tr.	5½	'52	65	68	65
†United Secs.	5½	'52	41½	44½	44
‡Wpg. El., ser. A	5	'65	66½	69½	65½
Do., B	5	'65	43½	46½	43½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	63½	66½	64
Do., C.O.D.	5	'53	60	63	60½
Acadia Sugar	4½	'55	102½	104½	102
Do.	6	'54	96	99	96
†Alta. Pa. Grain.	6	'46	99	101	97½
Algoma Steel	5	'48	102½	104½	102½
Atlantic Sugar	4	'51	100½	102½	100½
†B. C. P. & Pap.	6	'50	84½	87½	84½
†‡Do.	7	'50	109½	...	109
*Brown Co.	5½	'46	..	..	47½
Burns & Co.	5	'58	54	57	54½
Canada Bread	6	'41	100	102	100
Canada Cement	4½	'51	104	106	104
Canada Electric	4½	'65	95	98	95
Can. Paper	4½	'52	100½	...	100½
Can. Steamships	5	'57	99	101	99
Can. Canners	4	'51	100½	102½	100½
*Can. Int. Paper	6	'49	104	106	104
‡Can. Locomotive	6	'53	89½	92½	86½
‡†Candn. Vickers	6	'47	52½	55½	52½
C. P. R.	3½	'51	92½	94½	92
Do.	4	'49	96½	98½	96
Do.	4½	'44	100½	101½	100½
Do.	6	'42	102½	104½	102½
Col. Steamships	6	'54	95½	98½	95½
†Consol. Paper	5½	'61	65½	68½	64
Dom. Coal	4½	'52	100½	102½	100½
Dom. Scott. Inv.	4	'52	95	..	95
Dom. Stl. & Co.	6½	'55	105½	107½	105½
Dom. Tar	4½	'51	101½	103½	100½
Dom. Woollens	6	'53	94½	97½	94
†Donnacona P.	4½	'56	69½	72½	69½
*Dryden Pap.	6	'49	99	102	99
‡Dufferin Pav.	5	'55	55	58	55
†East. Dairies	6	'49	77½	80½	77½
Famous Players	4½	'51	99½	101½	99
†Federal Grain	6	'49	97½	99½	97½
†Fraser Cos.	6	'50	98½	100½	98½
Galt Brass	5	'50	90	..	90
Gen. Stl. Wares	4½	'52	100	102	100½
*Great L. Paper	5	'55	88½	91½	89½
*Gurney Fdry.	5½	'49	69½	72½	69½
†Gypsum, Lime	5½	'48	98½	100½	98½
Ham. By-Pr., C.	5	'55	102	104	102
Do.	6	'56	100	102	100½
Ham. Cotton	4½	'50	100	102	100
Inter-City Bak.	5½	'48	101½	103½	101½
Indust. Accept.	4	'52	82½	85½	82½
Ins. Ex. Bldg.	3	'51	41	44	41
*Inter. P., Nfld.	4½	'68	88	91	88
*Inv. Bond & Sh.	5	'47	44	47	44
†Kingston Elev.	6	'50	103½	105½	103½
Lake St. J. P.	5½	'61	83½	86½	83
Do.	5	'61	54	57	56
Legare	6	'61	87	90	87
Maple Leaf M.	3	'58	69½	72½	69½
Adirondack Fdry. S., c.			10½	11½	10½

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & Co., Toronto)

May 6, 1941

Miscellaneous Stocks:	Bid May 6	Asked	Bid Apr. 29
†Allens Tor. Th., p.	32	35	32
Brown & Co., c.	1	1½	1
Cons. Divers. S. Se's., p	8	11½	8
Corrug. Paperbox, c.	.55	.80	.55
Dover Industries	7	7½	7
East. Bake., p.	..	40	..
†Ft. Wm. Hotel, units	43	50	43
Galt Brass, c.	8½	10	8
Imperial Varnish, c.	8½	9½	8½
Ingram & Bell, new p.	80½	86	80
Inter. Equities, units	25	30	25½
*Loew's Buffalo Th., p.	6	..	6
Loew's Lond. Th., p.	2½	3	2½
Mersey Paper, c.	4½	5½	4½
*Midland Prop's., Inc., p.	6	..	6
Monarch Mtge. Inv. un.	.20	.50	.20
Mt. Royal, new c.	2¾	3½	2¾
*Mt. Royal, old p.	3¾	4½	3¾
Murphy Paint units	98	99½	98
Nat. Hosiery com.	¾	1½	¾
Niag. L. Arch Br.	37½	41	37
†N. Amer. Elev., p.	65½	70	66
Second Stand. Royal's.	.03	.04	.03
Sutton Horsley	1.00	1.20	1.05
Traders Fin., rights	12½	13½	12½
Waterloo Mfg., new	¾	1	¾
*Wentw. Radio, pref.	3	..	3
West Can. Hydro, p.	11	11½	11

*Issue carries arrears.
†Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid May 6	Asked	Bid Apr. 29
Man. Sugar	5	'60	95½	98½	95½
Massey-Harris	4½	'54	92	95	92
McColl-Fron.	4½	'49	101½	103½	101½
McCormick's	4	'52	96½	98½	96½
Do.	4½	'52	103	...	103
Mercury Mills	5	'59	91½	94½	91½
Mersey Paper	5	'57	...	100	98
†Do.	6	'49	99	101	98
*M. & O. Paper	6	'45	51	54	51½
Moirs Ltd.	6	'53	53	56	54
‡Mtl. Drydocks	6	'48	38	41	39
Montreal Apts.	4	'54	58½	..	58½
Munic. Bankers	.	'48	9	12	..
Nat. Grocers	4	'47	101	103	101
N. S. Stl. Coal	3½	'63	82½	85½	82½
Price Bros.	5	'57	94½	97½	95
Do.	4	'57	84	87	84½
*Prov. Paper	5½	'47	105	...	105
Reliance Grain.	4½	'32	..	95½	92½
†Restigouche Co.	6	'48	...	100	96½
Rolland Paper	4½	'51	102½	104½	102½
Ruddy, E. L.	6½	'48	100	102	100
Silv. Dairies	6	'66	90½	93½	90½
Simpsons Ltd.	4½	'51	98½	100½	99
Smith, Howard	4½	'51	104	106	104
Stand. Lime	6	'44	97	100	97
Sterling Coal	6	'45	96	99	96
Stop & Shop	3	'47	57½	60½	58
United Corp.	5	'53	89	92	90
*United Gas	5½	'48	104	106	104
United Gr. Grs.	5	'48	95½	97½	95½
†Western Grain	6	'49	52½	55½	53

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

Municipal Bonds

May 6, 1941

†Halifax	5	1961	109.00	110.50	4.22
Hamilton	5	1950	108.25	110.25	3.65
Montreal	5	1945	94.00	96.00	6.20
Ottawa	4½	1945	103.75	105.75	3.05
†Quebec	5	1959	103.00	106.00	4.51
Saint John	5	1950	104.00	106.00	4.23
†Toronto	4½	1955	109.00	111.00	3.50
†Vancouver	5	1950	98.00	101.00	4.88
Winnipeg	5	1944	101.00	104.00	3.61

†Payable Can. and N.Y.

Investment Trusts

	Bid	Asked
Affiliated Funds	2.17	2.36
Can. Amer. Trust	2.60	3.10
Can. Inter. Trust	4.25	5.00
Can. Invest. Fund	3.00	3.35
Grouped Income	...	4.85
Trans-Canada	9.25	10.15

Annual Meetings

1941:	Company	Place
May 9	Terminal Warehouses	Wilmington, Del.
May 13	C. W. Lindsay & Co.	Montreal
May 14	Fam. Players Can.†	Toronto
May 15	E. L. Ruddy Co.	Toronto
May 19	Tuckett Tobacco	Hamilton
May 23	Dominion Coal Co.	Montreal
May 23	Dom. Steel & Coal	Montreal
May 26	Uchi Gold Mines*	Toronto
May 27	Assoc. Telephone & Tel.	Wilmington, Del.
May 30	Yukon Consol. Gold	Toronto
June 4	Candn. For'n. Invest.	Montreal

*Bondholders. †Adjourned.

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass, p.	$1.75	July 2	June 16
Auror Gold	4c	June 2	May 10
Aluminium	$2	June 5	May 15
Do., pref.	†$1.50	June 1	May 10
Brit. Amer. Oil	25c	July 2	June 12
Bank of Montreal	$2	June 2	Apr. 30
Borden Co.	30c	June 2	May 15
Bank of Toronto	$2.50	June 2	May 15
Bertram & Sons	15c	Aug. 15	Aug. 1
Bathurst Pr. P.A.	25c	June 2	May 15
Brewers & Distil., p.	50c	May 20	Apr. 26
Do., bonus	10c	May 20	Apr. 26
Bk. Can. Nationale	$2	June 2	May 15
Canada Cement, p.	$1.25	June 20	May 30
Can. Cr. Stone	10c	June 30	June 15
Canada Dry	†15c	June 24	June 10
Can. Ind. Alc'l, A B	10c	June 2	May 15
Can. W. & Cable, A	$1	June 15	May 31
Do., B	50c	June 15	May 31
Do., pref.	$1.62½	June 15	May 31
Can. Marconi	4c	June 1	Apr. 15
Cel. of Am., pr. pf.	$1.75	July 1	June 17
Do., part. pref.	†$3.50	June 30	June 17
Corr. Pap. Box, p.	$1.75	June 1	May 15
Do.	$1.75	June 1	May 15
Canadian Oil, c.	12½c	May 15	May 1
Do., extra	12½c	May 15	May 1
Commoil	1c	May 26	May 15
Commonw'th Pet.	2c	June 2	May 10
Crown Cork	50c	May 15	Apr. 30
Commonw'th Intnl.	4c	May 15	Apr. 15
Cosmos Imperial	30c	May 15	Apr. 30
Can. Bakeries, pfd.	$2	June 1	May 22
Can. Fairbanks, c.	50c	May 15	Apr. 30
Corporate Inv.	5c	May 15	Apr. 29
Do., extra	3c	May 15	Apr. 29
Can. For. Invest. p.	▪$2	July 1	June 15
Con. Div. S. Sec. p	37½c	June 16	May 31
Chase, A. W., pref.	50c	May 10	Apr. 30
Crow's Nest Coal	$1.50	June 2	May 9
Can. Gen. Electric	$2	July 1	June 14
Dome Mines	▪50c	July 21	June 30
Dom. Bridge	30c	May 23	Apr. 30
Dom. & Ang. Inv.	$2.50	June 2	May 15
Do., pref.	$1.25	June 2	May 15
Dom. Scot. Inv. p.	▪$1.05	June 2	May 20
Electrolux	†20c	June 16	May 15
Ford Motor, A. B	25c	June 21	May 31
Gold Belt Mining	2c	May 15	Apr. 30
Granby Cons.	†15c	June 2	May 17
Gen. Stl. Wares, p.	$1.75	May 20	May 8
Do., participating	27c	May 20	May 8
Hedley Mascot	2c	May 15	Apr. 24
Hallnor Mines	15c	June 2	May 10
Hollinger Cons.	5c	May 20	May 6
Inspiration Min.	‡2c	May 30	May 1
Island Mtn. M.	8c	May 15	Apr. 30
Inter. Nickel, c.	†50c	June 30	May 31
Leitch Gold	2c	May 15	Apr. 30
Loblaw Groc., A, B	25c	June 2	May 10
Do., extra	12½c	June 2	May 10
Lake of W. Mill.	50c	June 2	May 15
Do., pref.	$1.75	June 2	May 15
Little Long Lac	10c	May 23	May 8
Laura Secord	20c	June 1	May 15
McK. Red Lake	3c	June 16	June 2
McIntyre Porc.	55½c	June 2	May 1
Mod. Contain.	20c	July 2	June 20
Do., extra	10c	July 2	June 20
Do., pref.	$1.37½	July 2	June 20
N. S. Lt. & Pr., p.	$1.50	June 2	May 15
Noranda Mines	$1	June 16	May 20
Ontario Steel	25c	May 15	May 5
Do., pref.	$1.75	May 15	May 5
Pamour Porc.	6c	June 2	May 10
Penmans	75c	May 15	May 5
Pressed Metals	†25c	June 2	May 15
Provincial Bank	$1.50	June 2	May 15
Quebec Power	25c	May 26	Apr. 28
Royal Bank	$2	June 2	Apr. 30
Regent Knit, pref.	§40c	June 1	May 15
Rolland Paper	15c	May 15	May 4
Do., pref.	$1.50	June 2	May 15
South. Can. Pr.	20c	May 15	Apr. 30
Shawinigan W.	22c	May 26	Apr. 23
Sylvanite Gold	7c	June 30	May 5
Surf Inlet Cons.	▪1c	May 30	May 15
Toburn Gold	3c	May 22	Apr. 22
Do., extra	2c	May 22	Apr. 22
Un. Gold Eq. st. c.	6c	June 30	June 16
Union Gas	20c	June 14	May 20
Do., extra	20c	June 14	May 20
United Corp. A	37c	May 15	Apr. 30
Upper Can. Mines	4c	May 31	May 15
United Steel, A p.	75c	May 1	Apr. 21
Waite Amulet	10c	June 16	May 20
Walker-Good.	$1	June 16	May 23
Do., pref.	25c	June 16	May 23
Wilsil	25c	July 1	June 14

†Payable in U. S. funds.

▪Subject to approval of Foreign Exchange Control Board.

‡Initial.

§40c also payable Sept. 1 and Dec. 1.

Mining Dividends

	Rate	Close May 5	Yield %
Anglo-Huronian	‡10c	2.00	..
Aunor Gold	▲8c	1.70	..
Beattie Gold	‡16c+2c	1.07	*16.7
Bralorne	80c+40c	9.90	*12.1
Broulan Porc.	12c	.82	14.6
Buffalo Ankerite	▲10c	3.70	..
Bulolo Gold	$3	14.87	20
Can. Malartic	8c	.50	..
Cariboo Gold	16c+8c	2.49	*9.6
Central Patricia	16c+4c	1.65	*12.1
Chesterville	5c	1.26	..
Cochenour Willans	3c	.68	..
Coniagas	‡25c	1.35	..
Coniaurum	‡16c+2c	1.20	*15
Cons. Smelters	$1+$1.25	33.00	*6.8
Delnite	‡6c	.80	7.5
Dome Mines	$2	21.50	9.3
East Malartic	‡30c	2.27	13.2
Falconbridge	5c	2.55	..
Francoeur Gold	‡3c	.39	..
Goldale	‡2c	.12	..
Gold Belt	▲2c	.26	..
Grandview	†.00½	.11	..
Gunnar Gold	6c	.24	..
Hallnor	60c	5.00	12
Hard Rock	‡10c	.73	..
Hedley Mascot	▲4c	.50	..
Hollinger	65c+45c	12.75	*8.6
Howey Gold	2c	.22	..
Hudson Bay	‡$2	24.00	8.3
Inspiration	†2c	.23	..
Inter. Nickel, com.	$2	29.63	6.7
Island Mountain	▲8c	.95	..
Kerr Addison	▲10c	3.75	..
Kerr Lake	‡10c	.41	..
Kirkland Lake	10c+2c	.83	*14.4
Kootenay Belle	▲4c	.25	..
Lamaque Gold	‡40c+10c	4.35	*11.5
Lake Shore	$2	18.25	10.9
Leitch	8c	.47	17
Little Long Lac	‡30c	1.85	..
Macassa	32c+3c	3.75	*9.3
Madsen R. Lake	6c	.60	..
McGillivray Coal	‡3c+1c	.21	..
McKenzie Red L.	12c	1.05	11.4
Moneta	12c	.44	..
McIntyre-Porc.	$2.22+$1.11	48.00	*6.2
MacLeod-Cockshutt	‡20c	1.60	..
Naybob Gold	4c	.24½	..
Negus	†5c	.75	..
Nipissing	15c	1.09	..
Noranda	$4	49.75	8
North Empire	▲20c	5.00	..
O'Brien Gold	‡10c	.56	..
Pamour Porc.	12c	1.15	10.4
Pato Cons.	20c	2.65	..
Paymaster	‡1c	.19½	..
Perron Gold	16c+4c	1.30	*15
Pioneer, B.C.	40c	2.10	19
Pickle Crow	40c	2.30	16.7
Placer Develop.	$1.20	9.50	12.6
Premier	12c	.92	13
Preston E. Dome	20c+7½c	2.92	*9.4
Privateer Mines	▲6c+2c	.46	..
Quebec Gold	‡2c	.22	..
Relief Arlington	‡5c	.01½	..
San Antonio	14c+6c	2.10	*9.5
Sheep Creek	16c	.73	..
Sherritt Gordon	‡10c	.65	..
Sigma Mines	‡45c	7.15	..
Silbak Premier	16c	.80	..
Siscoe	▲2½c	.56	..
Sturgeon River	4c	.16	..
Sullivan Cons.	▲3c	.53	..
Surf Inlet	▲1c	.12	..
Sylvanite Gold	▲14c	2.35	..
Teck-Hughes	40c+5c	3.00	*15
Toburn	12c+8c	1.60	*12.5
Upper Canada	▲7c	1.85	..
Ventures	‡15c	3.20	..
Waite Amulet	10c	3.20	..
Wendigo	3c	.16	..
Wright-Harg.	‡40c+30c	5.25	*13.3
Ymir Yankee	2c	.05	..

*Yield including bonus. †Initial.

‡Paid in 1940.

▲Paid or declared payable in 1941 to date.

South America Sells More Oil

Demand for South American petroleum has strengthened recently, The Financial Post is informed. Difficulties of Mediterranean transport and the length of the route around the Cape of Good Hope have reduced the extent to which Britain is relying on oil from the Iraq fields. Increased dependence of Britain on western hemisphere sources and heavier North American consumption are understood to have had a favorable influence on the output of International Petroleum, although figures have not been published since war broke out.

It is not expected that developments in Iraq, favorable or otherwise, will have any major bearing on South American output unless followed by other important military changes.

The Iraq fields, under natural lift, appear more vulnerable to bombing than those of Roumania, where the greater part of the wells are on pump. Fires in natural lift fields are more difficult to control as the flames are fed by the natural flow of oil, once valves and surface structure are damaged.

Lend $40 Millions For Rail Equipment

From Our Own Correspondent

MONTREAL.—Loans by the Dominion of Canada at March 31 to the Canadian National and Canadian Pacific Railways for purchase of equipment totalled $33,970,000; $20,051,000 for the C. N. R.; for C. P. R., $13,919,000. These loans cover purchase of equipment over three years.

DIVIDEND NOTICES

BANK OF MONTREAL

Established 1817

DIVIDEND NO. 312

NOTICE is hereby given that a DIVIDEND of TWO DOLLARS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after MONDAY, the SECOND day of JUNE next, to Shareholders of record at close of business on 30th April, 1941.

By Order of the Board

JACKSON DODDS, General Manager G. W. SPINNEY, General Manager

Montreal, 18th April, 1941.

Canadian General Electric Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars per share for the quarter ending June 30, 1941, has been declared on the Common Stock of the Company.

That the above dividend is payable on July 1, 1941, to shareholders of record at the close of business on June 14, 1941.

By Order of the Board.

W. H. NESBITT,
Secretary.

Toronto, May 5, 1941.

CANADA WIRE & CABLE COMPANY

DIVIDEND NOTICES

PREFERRED DIVIDEND NO. 49.

TAKE NOTICE that the regular Quarterly Dividend of $1.625 per share, on the outstanding Preferred Stock of the Company, for the three months' period ended May 31st, 1941, has been declared as Dividend No. 49, payable June 15th, 1941, to Shareholders of record at the close of business May 31st, 1941.

CLASS "A" DIVIDEND NO. 23

ALSO TAKE NOTICE that a Dividend of $1.00 per share on the outstanding Class "A" Common Shares of the Company has been declared as Dividend No. 23, payable June 15th, 1941, to Shareholders of record at the close of business May 31st, 1941.

CLASS "B" DIVIDEND NO. 13.

ALSO TAKE NOTICE that an Interim Dividend of 50 Cents per share on the outstanding Class "B" Common Shares of the Company has been declared as Dividend No. 13, payable June 15th, 1941, to Shareholders of record at the close of business May 31st, 1941.

By Order of the Board.

A. I. SIMMONS,
Secretary.

Toronto, April 30th, 1941.

General Steel Wares Limited

DIVIDEND NOTICE

Notice is hereby given that a fixed cumulative dividend of $1.75 per share, being at the rate of 7% per annum in respect of the three months period commencing on the 1st day of February, 1941, and ending on the 30th day of April, 1941, and a cumulative participating dividend of twenty-seven cents per share in respect of the year 1940, have been declared on the outstanding 45,000 shares of 7% Cumulative Participating Preferred Stock of a par value of $100.00 each of General Steel Wares Limited, payable on the 20th day of May, 1941, to shareholders of record at the close of business on the 8th day of May, 1941.

By order of the Board,

FRANK S. BROPHY,
Secretary.

Montreal, April 30th, 1941.

DIVIDEND NOTICE

BRITISH AMERICAN OIL COMPANY B-A LIMITED

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the issued No Par Value capital stock of the Company for the second quarter ending June 30th, 1941. The above dividend is payable in Canadian funds, July 2nd, 1941, to shareholders of record at the close of business on the 12th day of June, 1941.

Bearers of Share Warrants are reminded that until said Warrants with talons attached are surrendered to Chartered Trust and Executor Company, 34 King Street West, Toronto, or 132 St. James Street West, Montreal (the Transfer Agent and Registrar of the Company), any dividends declared by the Company with respect to any share or shares specified in any Share Warrant shall be paid by the Company, without interest, only upon the surrender of such Warrant with talon attached in exchange for registered certificate.

H. H. BRONSDON,
Secretary.

Dated at Toronto, April 29th, 1941.

Japan's Policy Firms Rubber

Reports Indicate Greater Shipping Difficulties—Hides in Demand

Commodity markets have been firmer although price trends have by no means been uniform.

Rubber was slightly firmer owing to fears that Japan was about to move in the East. Hide prices were stiffened by increased industrial demand. Production of footwear in both Canada and the United States, it is felt, will be maintained at a high level.

Raw silk was slightly lower as demand from manufacturers was lighter. Japan was reported planning to reduce production.

	Latest week	Previous week	Same week last yr.
Cattle	$9.50	$9.35	$7.75
Hogs	11.40	11.40	11.00
Copper, lb.	.12	.12	.11½
Cotton, lb.	.1205	.1134	.1104
Rubber, lb.	.2412	.23	.2012
Silk, lb.	2.80	2.81½	2.64
Sugar, raw, lb.	.0340	.0335	.0280
Wheat, Man. (bu.)	.75⅞	.75¾	.88⅛
Coffee, lb.	.06¾	.06¾	.05¼
Hides	.15	.14¾	.13½
Weekly Indices			
Canada (D.B.S.)	86.4	86.5	83.2
Do., Wood Gundy	70.0	69.7	67.1
U. S. Labor	83.0	83.0	79.0
Dow Jones (future)	65.73	63.35	60.70
Fishers'	89.9	89.9	84.3
Monthly Indices			
Canada (D.B.S.):			
Retail (Mar.)*	108.2	108.2	104.6
W'sale (Mar.)	85.9	85.2	83.2
U. S. (Feb.)	80.6	80.8	78.7
Gt. Brit. (Dec.)	148.2	146.9	102.8

Note:—The base of indices is that 1926 equals 100. *Base 1935-39=100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Silk—Crack db., 13-15 New York. Sugar—96 degrees centrifugal c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis. Hides—No. 1 packer light.

Paramount Pictures Earns 89c on Common

Earnings of Paramount Pictures, Inc., for the first quarter ending April 5, 1941, are estimated at $2,475,000 after interest and all charges including taxes, Federal income taxes being computed at 30%. The figure includes $650,000 as Paramount's share of undistributed earnings of partially owned subsidiaries. In the corresponding period of 1940, earnings of $1,606,000 were estimated, including $716,000 as the share of partially owned subsidiary earnings.

Outstanding share capital at April 5, 1941, included 127,489 shares 6% first preferred; 531,700 shares second preferred and 2,466,420 shares common. Earnings on common amounted to 89 cents, compared with 53 cents per share in the first quarter of 1940.

The company acquired 6,700 shares of first preferred stock during the quarter at a discount of approximately $3,400, and 770 shares of second preferred stock were converted into 693 shares common.

Wabana Mines On Short Time

From Our Own Correspondent

MONTREAL.—Wabana Mines, controlled by Dominion Steel and Coal Corp., through Nova Scotia Steel and Coal Corp., continued to operate on a half-time basis during March.

Last year the mines operated at 90% of capacity, but in the last quarter operations were reduced due to scarcity of shipping to the United Kingdom.

Legaré & Co. Names New President

From Our Own Correspondent

MONTREAL. — Sidney Levitt, vice-president of Woodhouse & Co., Montreal, has been named president and general manager of Legaré Co., Quebec City. Woodhouse & Co. recently acquired control of Legare & Co. from Toronto interests.

W. A. G. Kelley, Toronto, was appointed a director replacing G. R. Munnock. M. L. Mizgala was named secretary-treasurer to succeed Frank Millington.

Operations, understood to be ahead of last year, will not be affected by the change of control, the company continuing to act as separate entity.

Officers and directors are now as follows:

Officers—S. LEVITT, pres. & gen. mgr.
EWART R. ANGUS, vice-pres.
L. MIZGALA, sec.-treas.
Directors—LOUIS S. ST.-LAURENT, K.C.
HON. LUCIEN MORAUD, K.C.
J. A. PAUETTE.
LOUIS P. GELINAS.
EWART R. ANGUS.
W. A. G. KELLEY.
S. LEVITT.

National Light Bonds For Sinking Fund

Offerings of Series A, 6% first mortgage sinking fund bonds of National Light & Power Co. have been requested by the National Trust Co., trustee for the sinking fund. The trustee holds $22,800 for the purchase of these bonds for the sinking fund and will receive offers up to 10.30 a.m., May 19, 1941. Each offer will be deemed to include accrued interest and to be for the whole or any part of the amount offered at the rate specified in the offer.

Blue Ribbon Corp. Operations Hold

Business volume of Blue Ribbon Corp. is being well maintained, a letter accompanying current dividend cheques states. Commodities are still being obtained but substantial inventories are carried where possible on account of delays and difficulties.

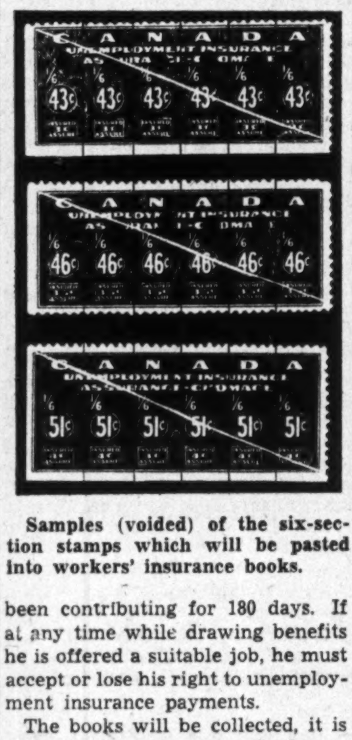
Although tax uncertainties make predictions of results in the current year impossible, the company regards the future with optimism.

Unemployment Insurance Workings

(Continued from page 9)

Otherwise he will not be entitled to benefits.

But if the employment office cannot offer him a suitable job, he is entitled to benefits providing he has been contributing for 180 days. If at any time while drawing benefits he is offered a suitable job, he must accept or lose his right to unemployment insurance payments.



Samples (voided) of the six-section stamps which will be pasted into workers' insurance books.

The books will be collected, it is understood, once a year and new books issued. These books with the stamps affixed, it is claimed, constitute the only form of bookkeeping required of the employer by the Commission. The employer can keep his own records to suit himself.

Arrangements are being made that where firms with a large number of employees wish to affix the stamps in the books by a meter stamping machine, they may do so.

Some employers are asking that when employing over 500 people they may be allowed to make bulk payments at stated intervals instead of having to affix stamps. This suggestion, it is understood, is meeting with sympathy from the authorities and probably will be allowed.

Arrangements will be made for purchase of the stamps from the post office or such other agents as the commission may authorize.

Stamping of the books by metering machines is being dealt with in special regulations.

In some cases, specially where an employee works only for part of a week, total contributions will involve a fraction of a cent.

It is understood that the regulations at present proposed will require an amount of less than one half cent to be reduced to the nearest full cent and all fractions exceeding one half cent to be increased to the nearest full cent. But where the fraction is exactly one half cent it has been suggested the employer should raise the amount to the next highest full cent between Jan. 1 and June 30 and reduce it to the nearest full cent between July 1 and Dec. 31.

Another question on which there has been considerable discussion is the variation of the degree of employment in different industries.

Merit Rating Suggested

Some protest is still made that there is so little unemployment in certain kinds of business that they should be exempted from the application of the unemployment insurance act. Businesses of this kind would include banks, insurance companies, and retail stores. Employment in these institutions is highly stable. Accordingly it is felt that either they should not be brought under the act or else they should be charged a more favorable rate than for businesses where the risk of unemployment is greater. A system like this is described as "merit rating" and is comparable to the system on which fire insurance premiums are rated: that is, according to the risk involved. Representations along this line have not met with favor from the authorities, it is understood.

Seasonal Help

Another point is the question of extra seasonal help. This includes such businesses as merchandising establishments, certain canning factories, etc. Department stores for example at Christmas and Easter usually take on large numbers of temporary help. This help is drawn from all classes of the population: students, married women, girls out for fun more than pay, and factory employees temporarily laid off after the fall manufacturing rush is over.

Factory Employees

The present plan appears to be that when temporary employees are registered under the Unemployment Insurance Act and have an insurance book, the merchant should follow the same procedure for them as he does with his permanent staff. But where the temporary clerk is a college student or a housewife who is not likely ever to draw unemployment insurance benefits, the employer will contribute his share of the weekly dues for the individual concerned but the clerk will contribute nothing. This is not satisfactory to the employers, who feel they are being asked to contribute money from which their employees will never benefit.

Industries on Border Line

The position of employees where the rate of remuneration is close to the border line of $2,000 a year has also been discussed. The construction industry is mentioned as one in which at times of active building many skilled workers earn over $2,000 a year. Yet the peaks of unemployment are also high. Officials feel they should be included in the application of the act. But here again there is difficulty because employers in industries where employment is fairly stable feel that they and their employees will be contributing steadily to an unemployment fund from which they will derive comparatively little, while industries where the ratio is much higher will get all the benefit.

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Windsor Arms 6/47
Can. Westinghouse
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Great West Life
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Can. Ind. Ltd. pref.
Marcus Loew's com.
B. C. Pulp com. 6's, 7's
Bloor-St. George 7/46
Anglo-Can. Tel. A com.
Imperial Life
Mfgrs. Life

Week in Wheat

Cut in Wheat Acreage May Only be 20%

First Report of Farmers' Intentions to Plant Less Than Government Objective — Fear Curb on Lake Movement by Ship Shortage

From Our Own Correspondent

WINNIPEG.—A reduction of 20% from last year's wheat acreage is all that can confidently be predicted on the basis of reports from farmers in the Prairie Provinces at the beginning of this month. This falls considerably short of the reduction of 35% aimed at in the Government's wheat plans for the new crop year.

There may, however, be a greater switch yet as farmers have further time to digest fully the regulations about bonuses to be paid for transferring land from wheat to summer fallow, grass or coarse grains. The regulations in that respect have twice been revised and the latest edition was dated April 30. There had not been time at May 1 for the wheat reduction propaganda of the Goverment to take full effect.

Reduction Campaign

Through municipal secretaries many thousands of pamphlets have been issued to farmers, urging compliance with the Government plan for reducing wheat acreage this year. Display advertisements have also appeared in newspapers and in posters.

Weather is an important factor in this campaign. Operations were slow in starting this spring and they have been subject to important interruptions on account of rain. As a rule farmers like to have their wheat seeding completed by the middle of May, but are usually willing to continue several weeks longer if necessary. Seeding of coarse grains commences after wheat. This year, on account of the new reduction policy, there will be a greater willingness to bring wheat seeding to a close.

One detail of the Government regulations will make the incentive for reducing acreage somewhat less than appears on the surface. Last year's wheat acreage was considerably more than that seeded in 1939 and the reduction desired was based on 1940 acreage.

In cases where farmers seeded one third more acreage to wheat in 1940 than during the preceding year, basic wheat acreage is arrived at by taking the average of the two years. Some farmers, therefore, who considerably enlarged their wheat acreage in 1940, or who for one reason or another had an exceptionally small acreage in wheat in 1939, find that the bonus payments to which they are entitled are insufficient to persuade them to make any significant change in their operations.

* * *

Big Movement

Movement of wheat all the way from farms to overseas ports continues at a high rate, notwithstanding the fact that many farmers are preoccupied with seeding and that many country elevators are filled and unable to receive more grain.

Last week's overseas shipments of wheat are recorded at 6 million bushels and the extent of this movement suggests that total exports of Canadian wheat for the current crop year may well exceed 180 million bushels or much higher than either normal or generally expected.

Some ten million bushels of grain were shipped last week out of lakehead terminals, bringing the total shipments down the lakes since the opening of navigation to over 32 million bushels.

* * *

Divert Lake Boats?

Extent of lake movement may shortly be reduced by a shortage of lake vessels. There is a movement under way in the United States to modify the coastal laws to permit Canadian vessels to carry iron ore from Duluth and Superior to lower lake American ports. The ore traffic is usually more remunerative than the carriage of grain.

It is also expected that some of the lake fleet may be transferred to ocean service, probably to the West Indies, in order to release other vessels for transatlantic service. Conceivably the transfer of vessels may be sufficient to make it impossible to move by water all the grain which should go this season to eastern ports.

* * *

Futures Trading

Some trading in wheat futures continues in the Winnipeg market, although prices have remained for some time at pegged levels, with variation. There are periods at which it is not possible to sell wheat at the pegged levels and other periods when demand is fair.

Elevator companies are still forced to discontinue buying in the country for their own account, although farmers, of course, may continue to deliver wheat to the Canadian Wheat Board. Those who do not wish to do so put their wheat in storage and give instructions for its sale when the opportunity offers. This practice, however, is followed to only a limited extent.

* * *

Price Trends

The Chicago wheat market has shown occasional spurts of strength at levels well above those prevailing on this side of the line and close to the dollar mark.

Such strength is based more on expectation of government measures that may be taken to sustain the prices of agricultural products than on fluctuations in crop prospects.

Although outlook for American winter wheat has been slightly impaired since beginning of spring, it is still likely that the United States will produce considerably more wheat than can be disposed of during a crop year.

Recent increase in hog prices brought about by American demand for Canadian pork has increased confidence in coarse grains, especially barley.

Inter. Bronze Powder Sales Higher for 1941

From Our Own Correspondent

MONTREAL.—Sales of all United States subsidiaries and of the Canadian susbsidiary, Canadian Bronze Powder Works, have increased substantially the first quarter, according to R. Edgar Thorne, president of International Bronze Powders, at the annual meeting.

Although plants are operating overtime and above 1940 capacity "we have the largest backlog of orders in the company's history," Mr. Thorne said, but reminded that increased activity does not necessarily indicate more profits.

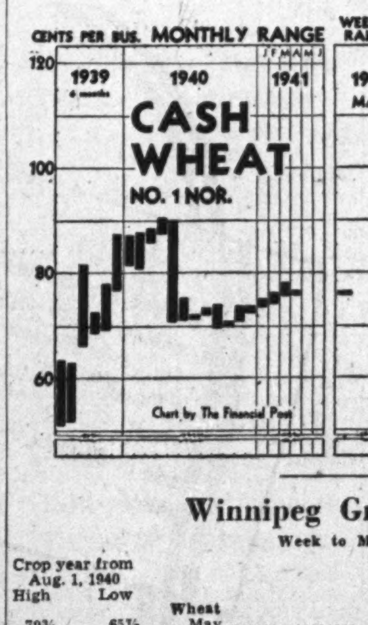
Three officials of subsidiary companies, T. B. Wainwright, Montreal; T. J. Mullen, New York, and H. G. Johnson, London, Eng., were elected directors filling the vacancies left by David Buckley, Jr., Board Chairman William E. Buckley, both of New York and Arthur L. Quinn, Washington.

C. P. R. Handles Tank Contract Directly

From Our Own Correspondent

MONTREAL. — Canadian Pacific Railway has not undertaken formation of a separate company to handle manufacture of tanks under order from the Department of Munitions & Supply. A rumor to this effect probably resulted from the fact that the company has undertaken to finance subcontractors engaged in supplying parts and equipment for the building of tanks.

Wheat Prices



Cash Quotations

	For Week May 5		Prev. Week	
Wheat	High	Low	High	Low
1 Hard	.75⅞	.75¾	.75¾	.75½
1 Nor.	.75⅞	.75¾	.75¾	.75½
2 Nor.	.73⅜	.73⅜	.73⅝	.71⅛
3 Nor.	.71¼	.71⅛	.71⅝	.71⅛
4 Nor.	.69⅜	.68⅞	.70⅛	.69⅛
5 Wheat	.68⅛	.67⅞	.69⅞	.68⅛
6 Wheat	.67⅛	.66⅞	.68⅜	.67⅛
Feed	.63⅞	.63⅞	.63⅞	.63⅞
Oats:				
2 C. W.	.36⅞	.35⅝	.38⅜	.36½
3 C. W.	.34¼	.32⅛	.36¾	.34⅛
Barley:				
1 Feed	.48⅜	.45¼	.52⅛	.47½
2 Feed	.46¼	.42¾	.50⅝	.46½
Flax:				
1 C. W.	1.57	1.46⅞	1.55⅛	1.46¾
2 C. W.	1.53	1.43¾	1.52¾	1.44¼
Rye:				
2 C. W.	.59	.56⅝	.58	.51⅛

Winnipeg Grain Futures

Week to May 5, 1941

Crop year from Aug. 1, 1940 High	Low		Open Apr. 29	High for week	Low for deew	Close May 5	Close year ago
		Wheat					
.79¾	.65⅞	May	.75⅛	.75⅛	.75⅛	.75⅛	.88⅛
.81⅜	.77½	July	.77½	.77½	.77½	.77½	.90⅛
		Oats					
.38⅜	.25⅝	May	.36⅛	.36⅞	.35⅛	.36	.37¼
.36½	.29½	July	.35	.35⅛	.34½	.34⅞	.36¼
.33¾	.30¾	Oct.	.32½	.32⅝	.32	.32½	.35¼
		Barley					
.53⅝	.33⅜	May	.49⅞	.51½	.47⅜	.49⅝	.48⅛
.49½	.39⅞	July	.47½	.48⅜	.46⅛	.48⅛	.48⅛
.45⅝	.41⅞	Oct.	.43¼	.43½	.42⅜	.43⅜	.47⅞
		Flax					
1.93¾	1.16	May	1.50¾	1.60	1.47	1.57	1.95
1.92⅝	1.29½	July	1.50¼	1.62	1.48¾	1.59½	1.99½
1.79¾	1.44¾	Oct.	1.48½	1.57½	1.47	1.57¼	2.02
		Rye					
.60¾	.44¼	May	.58¼	.59¼	.56⅛	.59	.69¼
.60⅞	.47⅞	July	.58⅜	.59⅜	.56⅜	.59¼	.69⅜
.58¾	.50⅛	Oct.	.55⅛	.57	.54⅜	.56⅛	.68⅜

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London Windsor Toronto
Winnipeg Saskatoon Vancouver Victoria

Remington Rand Inc. Lists Extra Shares

Shares issued through the 10% stock dividend paid to common shareholders of Remington Rand Inc. have been called for trading on the Toronto Stock Exchange. A total of 158,144.9 additional shares is involved, bringing the number outstanding to 1,743,039.78 shares.

Fractional shares are being traded by means of scrip certificates issued in denominations of hundredths. These may be consolidated and exchanged for full shares at the transfer agent's office in New York, on or before 3 p.m., Dec. 30, 1942. Scrip certificates may be combined with unexpired scrip certificates of prior issues. After the expiry date, scrip certificates are void for all purposes.

The Financial Post and the War—

In this war "the front line runs through the factories."

That puts a tremendous responsibility upon a newspaper of business.

The Financial Post's job in this war is to Investigate, Inform, Interpret and Inspire to the end of helping to achieve the "all-out, national" effort to which this nation is committed. The Financial Post has campaigned constantly and consistently for the fulfilment of the undertaking.

* * *

An "all-out" war effort depends upon sound finance, on efficiency in the operation of war industries and in all phases of the economic life of the country. It depends upon efficient administration in government, where there has been a tremendous expansion in machinery and personnel.

The Financial Post lends vigorous editorial support to everything that will promote full mobilization of Canada's material and spiritual resources for victory.

But because "total" effort is called for, The Financial Post has not hesitated to search out and expose defects that have threatened final attainment of the objective of an "all-out, national" effort.

All of The Financial Post's criticisms have been based upon complete research into all the publishable facts. It gathers information from a great variety of sources. Keymen in government and business trust The Post's editors; they discuss freely their problems and their aspirations. In no case has The Post published all of the facts in its possession. It has never published any facts if they were of the kind that should not have been revealed to the enemy.

The Financial Post's policy of constructive, informed criticism is clear-cut and direct. When The Post is confident that it is right, that it has all the facts to enable a decision to be made, it speaks bluntly and hits hard. But where praise is deserved, where a good job well done needs to be brought to public attention, The Post takes joy in telling the story.

* * *

Every phase of The Financial Post's editorial service has been modified to meet the wartime needs of Canada's investors and businessmen.

The editors recognize that a nation at war works, spends, invests and trades in a setting so different from the conditions of peacetime that there must be a new approach—a wartime approach—to every problem.

The Financial Post reports the "war news" of business and investment. But its main job is to summarize the facts, get them in focus and interpret them. The Post tells the meaning of this new law or that tax; shows what it implies to business or investment.

Another aim of the editors has been to anticipate changes; to prepare the public's mind for them by informative discussion; to enable businessmen and investors to take steps in advance to prepare for them. In many important instances The Financial Post also brought the first news that certain action would be taken.

In the investment field The Financial Post has sought to guide the investor through the new maze of war.

* * *

The Financial Post in battle dress is the same paper; with the same objectives; but with a new focus for its work.

The MacLean Publishing Company Limited

Toronto Montreal Winnipeg New York Chicago London, Eng.

28 PUBLICATIONS

GEARED TO "ALL-OUT" WAR EFFORT

Week in Mining

Inco Seeks Substitutes To Offset Shortage

President R. C. Stanley Offers Customers Use of Technical Staff in Finding Substitutes For Nickel During Shortage

So great has demand for nickel become with the United States joining in a major arms building programme that a 20% increase in output by International Nickel Co. of Canada has been insufficient to cope with it. In view of this situation, Robert C. Stanley, Inco president, has offered customers free use of the company's technical staff in finding and developing substitutes.

Already many firms are stated to have turned to substitutes with only limited supplies of nickel available. Now the unparalleled situation has arisen of Inco engineers recommending substitute materials which were formerly considered to compete with nickel. The step taken, however, will aid in an uninterrupted war effort and will further the company's customer relations policy.

Three Times 1929 Rate

Some hints on the size of the present demand were given by Robert C. Stanley. Not only was output stated to be running 20% ahead of last year but three times the rate of 1929 and four times the peak established in the last war.

Production for 1929 was listed at approximately 100 million pounds. No figure for 1940 is available due to war restrictions, but 1939 production was about 210 million pounds. Further increases in production is expected by Mr. Stanley this year but, so far, output has been unable to keep pace with the unprecedentedly sharp demand.

* * *

Less Gold From More Ore

Despite treatment of a record tonnage of ore, Ontario gold mines produced somewhat less gold in the first quarter of 1941 than the last quarter of 1940, figures released by the Ontario Department of Mines reveal.

For gold and silver together, aggregate recovery was $30,171,854 the first quarter of 1941 compared with $31,402,640 the preceding quarter. Tonnage of ore milled rose from 2,990,027 to 3,035,647 tons in spite of one day more in the last quarter of 1940 than the first quarter of this year.

Production in March of $10,455,128 was obtained from milling 1,063,541 tons of ore. This represented an increase of 2.51% in value over March, 1940. A total of 64 mines was producing in March this year.

* * *

Aiding War Saving

Hollinger Consolidated Gold Mines is encouraging employees to purchase war savings certificates by contributing funds itself for purchase of further certificates for the employee on the basis of the amount contributed. Three plans are available to employees to which the company will contribute. Under plan "A" the company contributes $1 for each $1 from the employee. Under other plans the company contributes 50 cents for each $1 up to $2 of each pay.

An important stipulation of the plan is that the company's contribution is payable to the employee only if he remains in the employ of the company at least five years. When a man has been with the company five years, he receives all the certificates due him. If he leaves before, he keeps his own certificates but does not receive any company contribution.

* * *

Amerks in Canadian Mines

An interesting book, "American Influence in Canadian Mining," has just been published by University of Toronto Press, author E. S. Moore, professor of geology at the University of Toronto. A foreword covering significance of minerals to modern civilization is contributed by Dr. H. A. Innis, head of the Department of Economics, University of Toronto.

Mr. Moore's book brings together for the first time a wealth of material on the part played by U. S. capital in opening up Canada's mineral resources: general movements of capital, entry of American capital into individual companies, American directors and managements.

Macassa Three Months Profit Unchanged

Earnings of $249,545 for Macassa Mines the first three months were practically unchanged from the $249,663 the same period last year. Earnings were equal to 9.3 cents a share each year.

No allowance is made in the 1941 figure for expenditure on outside exploration. Figures in 1940 allowed for this expense. Production for three months of 1941 was $634,679 against $637,539 for the same period last year.

Macassa In Ore On New Levels

Three Deep Levels Give Satisfactory Results Along Main Break

From Our Own Correspondent

KIRKLAND LAKE. — Drifting along the main break at three new deep levels at Macassa Mines has given results which are described as highly satisfactory.

On the 3,875-ft. level—the top level in the new block of ground—200 ft. of ore has been opened up recently averaging 0.80 oz. per ton across an average width of 7 ft. This ore is apparently the downward extension of ore in the 37-3 stope on the level above.

In Ore at 4,125 ft.

On the new bottom level at 4,125 ft., characteristic ore structure has been disclosed at a point 100 ft. east of the winze crosscut. The drift has been in ore for 40 ft. with the ore running mine grade over drift width.

To the east beyond the Grozelle fraction, the lower levels may be opened up by drifting east on the 4,125-ft. level with subsequent raising and sub-levelling. This work would be of great interest due to disclosures up to the boundary on the adjoining Kirkland Lake gold property.

Following the cutting of a "north break" in the long crosscut being put out to the north at the 2,000-ft. horizon, drifting is being carried out east and west on a narrow quartz vein which is stated to carry low gold values. Further exploration to the north may be carried out by long horizontal drill holes.

The crosscut south to the Amalgamated Kirkland property at the same horizon has an additional 1,000 ft. to traverse before reaching its objective.

Drifting east is now proceeding from the new No. 2 shaft at the 4,000-ft. horizon while drifting west is also being carried out from the same opening on the level below.

Operating profits for the first quarter of 1941 are estimated at $389,237 with net profit after write-offs and depreciation amounting to around $247,000. Production of $634,679 for the quarter was obtained from 37,221 tons of ore, an average of $17.05 a ton.

U. S. Dollars in Peat Moss?

Mines Department Says Demand Climbing—Sources Many

Since war cut off European supplies of peat moss—used for horticulture and poultry litter—interest has developed in the possibility of United States demand being filled from Canadian sources. At least two developments, one at Ile Verte, Quebec, and another at Humberstone, Ontario, have been opened up by American groups since the outbreak of war and a Canadian company, Grand Valley Peat Moss Co., plans to carry on production this year.

A survey by the Dominion Department of Mines and Resources in 1940, of at least 91 deposits, indicated numerous potential sources. Localities with fair industrial possibilities were investigated. Most of the deposits were near railways, good roads or sea harbors.

Price Higher Since War

Demand for the peat moss is stated keen at present with the price around $2 to $2.50 U.S. a bale, f.o.b. New York, against a pre-war price of about $1.70 a ton.

On the Grand Valley Peat Moss Co. development, W. R. Salter, president, believes peat moss can be dug out and baled at a cost of 75 cents a bale. Transport to New York will cost 32 cents a bale, 100-120 lbs., it is estimated. Mr. Salter believes 5,000 tons of peat moss can be taken out by Grand Valley a year, using 35 to 40 men. A small crew is at work on the property.

Peat moss is found overlaying bodies of peat. In the case of Grand Valley Peat Moss Co., it is estimated that 180,000 tons has been proved up by five miles of trenching based on an average thickness of 18 inches.

Use of peat moss in the United States has been increasing steadily, according to the Dominion Department of Mines and Resources. Imports of 62,000 tons into the United States in 1938, for instance, compared with only 5,000 tons in 1924. So great is the present demand in the United States that some shipments are stated to have been made from Canada while still in the wet state.

Kerr-Addison Finding Major Ore at Depth

From Our Own Correspondent

LARDER LAKE. — Lateral exploration on the 1,000 and 1,300-ft. level of Kerr-Addison Gold Mines continues to reveal ore of major dimensions, it is stated.

On the 1,300-ft. level—which is the deepest yet opened up—exploration of the No. 15 and 17 ore structures may bring the total ore tonnage to 10,000 tons per vertical foot. Even this tonnage could be exceeded by exploration north and west. Indicated grade is so far above mine average of slightly over 0.20 oz. gold per ton.

New Ore in 16 Zone

Exploration of the No. 16 ore zone at the 1,300-ft. horizon has added an important tonnage to ore resources. This body, apparently the downward extension of Chesterville's A zone, has been opened for 660 ft. averaging 0.210 oz. uncut or 0.176 oz. cut across an average width of 25.08 ft. This gives a tonnage of 1,500 tons per vertical foot. The east face on the plunge of the structure is 700 ft. from the boundary.

Work has now disclosed the great No. 21 ore body for a length of 1,065 ft. averaging 0.209 oz. uncut or 0.173 oz. cut across an average width of 46.1 ft at the 1,300-ft level. This gives 4,545 tons of ore per vertical foot. Gold values are diminishing out to the east although the face shows mineralization and shearing at this point 400 ft. from the east boundary.

Three Bodies In 14 Zone

In the No. 14 zone are the three ore bodies which run higher grade. The largest tonnage one runs 0.6193 oz. uncut or 0.3377 oz. cut, giving 800 tons of ore per vertical foot, another shows 530 tons per vertical foot averaging 0.9818 oz. uncut or 0.4226 oz. cut grade, while a third shows 200 tons of ore per vertical foot grading 0.3111 oz. uncut or 0.1930 oz. cut grade.

To the west of the main shaft crosscut—where only a relatively small amount of work has been done—the No. 10 ore body in the quartz carbonate zone shows 370 tons of ore per vertical foot. The No. 8 ore body runs 225 tons per vertical foot of 0.315 oz. uncut grade or 0.2104 oz. cut grade.

Altogether the 1,300-ft. level shows a definite total of 8,170 tons of ore per vertical foot, indicating a tremendous amount of ore. If these exposures persist for 1,000 ft. of vertical depth, enough ore will be placed in sight to keep the enlarged mill in operation for more than 12 years.

Estimate 2.5 Million Tons

Between the 1,000 and 1,300-ft. level there are now indicated upward of 2.5 million tons of ore, it is stated. This may be increased on further development.

While development will continue to be concentrated in the section of the mine from 850 to 1,450 ft. for the balance of the year, preparations are being made for sinking the shaft from 1,500 to 3,100 ft. depth for the opening up of ten levels at depth. Sinking will require a year with an additional six to nine months for completion of ore and waste passes and installation of loading pockets and primary crusher at the 3,000-ft. level.

New ore continues to be revealed in the upper levels of the mine. No. 9 ore body west of No. 1 shaft at the 300-ft. level shows a length of 350 ft. varying from 70 to 120 ft. in width. This gives 2,400 tons of ore per vertical foot of 0.20 oz. grade or more than 700,000 tons through to surface.

Expansion Waits on Development

On the basis of ore indications, expansion to 3,000 tons a day from the present rate is said warranted. Expansion, however, must wait on mine preparation. The programme of depth development is expected to near completion the latter part of next year. With the present enlarged mill capacity operating profit this year may not be far from the $2.7 millions production for last year.

Week in Oils

From Our Own Correspondent

CALGARY.—Practically 33 1-3% ahead of the same period in 1940, value of crude oil and natural gasoline sales from Alberta oilfields in the first quarter of 1941 averaged just under $1 million per month. Value of sales January 1 to March 31, 1941, was $2,979,169, up $972,619 from the first quarter of 1940.

Production of crude oil and natural gasoline (mostly from Turner Valley crude oil wells) amounted to 2,339,225 bbls. in the first three months of this year, up 661,549 bbls. from the first quarter of 1940.

This report, prepared by The Financial Post correspondent, shows a steady increase in daily production since the first of the year—a trend which continued through April for which detailed information is not available.

The breakdown of production and sales for the first three months of the year is as follows:

Crude Oil and Natural Gasoline Sales

	Jan. 1941	Feb. 1941	Mar. 1941
	$	$	$
For month	993,827	922,217	1,063,125
Daily aver.	32,059	32,936	34,294
For mo. (bbls.)	782,353	722,631	834,241
Daily average	25,237	25,808	26,911

* * *

26,000 Barrels Daily

Turner Valley Field allotment for May, not including an anticipated 850-900 bbls. per day recovery of absorption plant gasoline, has been set by the Conservation Board at 806,000 bbls., 26,000 bbls. per day. The daily allotment is the same as that in effect previously.

Thanks to the addition to the producing list of seven new oilwells, with a combined daily allotment of 2,164 bbls., the field will produce its May quota with much greater ease than was the case in recent months. The "reserve productive capacity" created by the curtailment of allowables of many wells under the May schedule will be invaluable this summer and fall in helping to maintain a high rate of production when the number of completions falls below the current monthly rate.

A break down of the May 26,000 bbls. per day field quota follows. The daily allotment for April follows the May figure in brackets—

137 limestone oilwells, operated under quota in April, 23,131 bbls. (24,790); seven limestone oilwells, given initial allowable for May, 2164 bbls. (none); three shallow crude oilwells, 20 bbls. (20); 54 naphtha-gas wells, 110 bbls. (140); anticipated "completion production" from new wells, 575 bbls. (1,050).

* * *

10 in the North End

Of the 13 wells in the field which are given May allowable of 400 bbls. per day or more, 10 are located in the highly productive north end. The field's top-ranking wells and their new allowables are:

	Bbls.
Home Millarville 2	822
Home Millarville 1	719
Alta. Oil Incomes 2	709
Home Millarville 3	615
Foothills 5	605
Foothills 7	522
Royalite 48	457
Home Millarville 5	455
Foothills 8	446
Anglo Canadian 7	413
Alberta Oil Incomes 1	403
Home Millarville 4	401
Independent Royalties	400

* * *

With the water-bearing Chert Bed successfully shut off by re-cementing, Standard of British Columbia's Princess No. 3 well is now on steady production, yielding about 85 bbls. of crude oil daily with a gas flow of about 1,650,000 cu. ft. per day. The oil, from the Sunburst sand, has a gravity of 24.8 degrees API, compared with about 26.3 gravity oil from the Madison lime at Princess No. 2. The No. 3 well is, of course, operating under strong pack pressure, to avoid pulling in water or increasing gas flow.

* * *

May Gun-Perforate

The next step at the well will probably be the reduction of gas-oil ratio by gun-perforating the casing immediately above the main oil sand, and forcing cement under heavy pressure into the overlying gas section, plugging it off. The present oil yield is being obtained through perforations in the casing between 3,195 and 3,205 feet. The largest part of the present gas flow is believed coming in from behind the casing from an overlying gas zone.

Two other Standard Oil wells are now drilling in the Madison lime. Princess No. 5 topped the lime last week end at 3,215 feet, and is now core-drilling below 3,218 feet, three feet in the Madison. Princess No. 4, which recently topped the lime at 3,217 feet, is core-drilling ahead about 71 feet in the Madison

Mining Concentrates

Arntfield Gold Mines has received payment for 50,000 shares of stock at 5 cents a share from Jenkin Evans, Toronto. Balance of 1,374,610 shares remains in treasury.

* * *

Bandolac Mining Co. has authorized payment of $5,000 to T. A. Johnson, Selim Haavisto and Alexander Budge, the balance owing on purchase price of the property. The shearing is now stated to have been traced for 3,500 ft. Sampling of surface pits has been carried on recently with assays ranging from $2.45 to $26.60 a ton, it is stated.

* * *

Consolidated Smelters received shipments of either ores or concentrates from 39 mines in April. Big shippers were the Eureka property at Republic, Washington, which sent 387 tons; the Highland-Bell mine at Beaverdell, B.C., with 519 tons and the South Penn mine at Republic, Washington, which sent 595 tons. Altogether a total of 3,642 tons of ore and concentrates was received.

* * *

God's Lake Gold Mines carried its shaft down a further 600 ft. during the first quarter of 1941, the company reports. On April 19 the shaft had reached a depth of 1,750 ft., leaving only 100 ft. more sinking before the shaft reaches its objective. Production of $224,718 for the first quarter of 1941 was obtained from milling 18,271 tons of ore. In the same period of 1940, recovery only amounted to $201,554 from the milling of 17,846 tons. Operating profit was $43,736 in the first quarter of 1941 against $84,473 the same period of 1940. Decline was more than accounted for by $53,604 of shaft sinking expenses included in operating costs in 1941.

Guysborough Mines had a reduction in working capital to $53,011 at the end of 1940 due to extended development carried out on the Guysborough mine and on its other interests. Directors plan to raise further funds by sale of treasury shares, shareholders were informed at the annual meeting by President Thayer Lindsley. Present ore position is not favorable but an effort is being made to extend the company's life. Properties being developed include the controlled Lake Charlotte tungsten property and a small gold prospect in Georgia.

* * *

Kayrand Mining & Development Co. is commencing development of its tungsten property in Dalquier twp., Que. First work will consist of enlarging and connecting pits on No. 9 zone. Three pits have been put down on this zone which is approximately 30 ft. wide and which also carries gold values. A small diamond drilling programme is planned after further opening up of this zone which has an indicated length of 1,200 ft.

* * *

Lake Dufault Mines balance sheet at Dec. 31, 1940, shows $2,334 cash and accounts receivable of $50. Loans payable amounted to $5,000 with outstanding accounts totalling $924.

* * *

McKenzie Red Lake Gold Mines has declared its quarterly dividend of 3 cents a share payable June 16 to shareholders of record June 2.

Surf Inlet Consolidated Gold Mines showed an increase in production in March:

1941:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
March	3,501	113	11.17	39,090
February	2,936	105	12.54	36,803

* * *

Sigma Mines (Quebec) production showed a decrease for April:

1941:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
April	30,823	1,027	7.76	239,287
March	31,804	1,026	7.76	246,689

* * *

Toburn Gold Mines production for March is reported considerably higher:

1941:	Tons milled	Tons daily	Recov. per ton	Total recov.
			$	$
March	5,280	170	19.10	100,865
February	4,920	176	17.56	86,383

* * *

Uchi Gold Mines officials are soliciting proxies for the meeting of bondholders scheduled for May 26. A total of 51% of the bonds—or $510,000—must be represented at the meeting to constitute a quorum. Bondholders may deposit bonds with a bank or trust company and have the latter forward a receipt and proxy form to the company, it is stated.

* * *

Wright-Hargreaves Mines plans to resume operations at the White-Guyatt Mining Co. property early this month, reports state. Underground work is to be carried out on No. 1 vein with a Diesel-powered mining plant to be sent into the property. Surface work is stated to have given encouraging values in this vein for a length of over 200 ft.

* * *

Little Long Lac Gold Mines has declared an interim dividend of 10 cents a share payable May 23, 1941, to shareholders of record May 8. Ex-dividend date is May 7.

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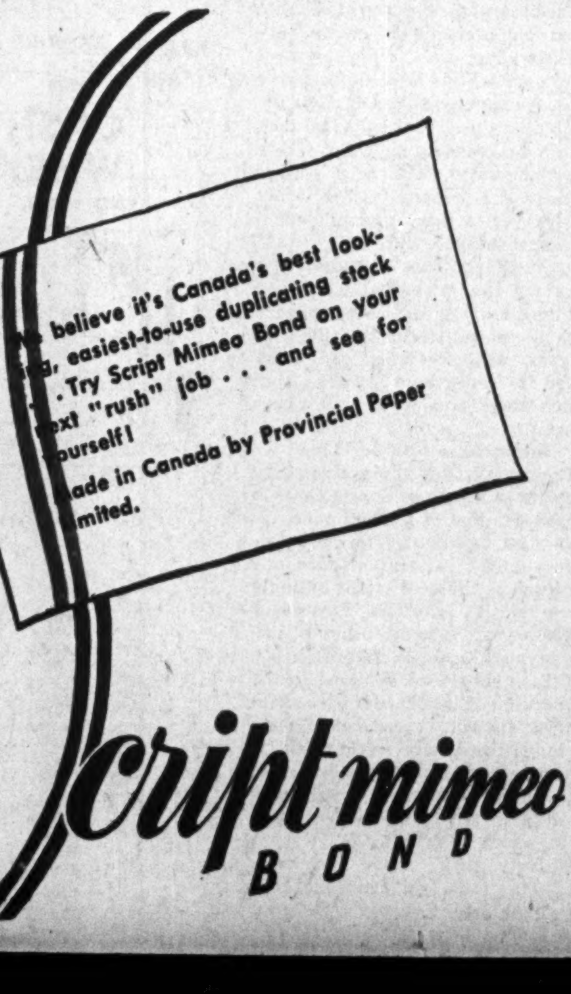
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What 70 Experts Said on Selecting Mine Stocks

This First Article Deals With Ore Requirements

By GORDON M. GRANT
Staff Writer, The Financial Post

Published here in recent weeks have been 10 articles, prize-winning entries in The Financial Post contest "Investing in Canada's Mines." These articles were selected by the judges as the best of 70 entries.

Looking back over these expert analyses what can the investor learn from them? What rules emerge for satisfactory mining investment?

Management, finances and timing must be surveyed carefully, contestants agreed. That was a minimum necessity. But granted those things the key factor in successful mining investment was seen to be ore—ore reserves, ore indications, ore possibilities. This was advanced as the basic requirement under which every mining investment must be passed. And elementary though it may seem, it is a point which many investors apparently forget; a point to which nearly all give too little attention.

Concerning ore resources, a host of important considerations were brought up. Where is a mine located? What is the margin of profit? How many years of ore have been proved up? Do values extend to depth? These were questions contestants wanted answered before making an investment.

Location of a mine may seem unimportant to mining success. But more than one entrant pointed out that this is a really important ore factor. Ore is usually found where ore has already been found. Older proven camps, of course, have a background of experience concerning vein types, character and treatment of ore, costs, etc.—all of first importance in evaluating a new mining project.

Contestants found that there is frequently close relationship between the type of management and the way in which they report a mine's ore position. The answer to whether an estimate of ore reserves is conservative or leans on the optimistic side can often be determined by the past record of the management, it was suggested. If a management handles one operation on a conservative basis, it will usually handle another operation on the same basis.

An Official on Ore Reserves

One Montreal contestant quoted a mining company official as follows:

". . . . We would like to point out that the heading 'Ore Reserves' is more or less named incorrectly, and can give an entirely wrong impression of the future of a mine. . . . Some mines show only the ore that has been developed fully, and is ready to stope out; others show the above with indicated ore, which is only partially developed; others still show both the above and also ore which has been indicated by diamond drilling. Therefore as a matter of comparison this can only lead to confusion as no two mines calculate their ore reserves the same way. As proof of this, there are a number of mines today operating, which, according to their own calculations ran out of ore years ago."

"Tons Per Foot" Valuable

That letter gives a very pertinent indication of the difference that exists in methods of estimating ore reserves.

Many mines now follow a practice of estimating tons of ore per vertical foot when an ore block has not been completely delimited. This gives the investor an excellent idea of ore tonnage and grade but avoids the pitfall of having the management "go out on the limb" in trying to make an estimate of ore reserves that reflects a mine's possibilities rather than its definitely proven ore of the type a bank is willing to lend money on.

Drill-indicated ore cannot usually be included in reserves. But diamond drilling may give important confirmation of the extension of ore between levels after certain underground work has been done.

Type of Deposit Important

Diamond drilling is not so satisfactory outlining narrow high grade veins as it is for delimiting wide, large tonnage deposits of fairly uniform grade. More than one contestant expressed a preference for a mine with medium or even low grade ore to a mine working a narrow high grade vein. Contestants were more interested in securing a good margin of profit than in treating a relatively high grade of ore. They realized fully that margin of profit is important, not ore dollar grade, if rising costs and taxation are feared. Many of the most highly rated portfolios found contestants steering clear of high grade marginal mines as well as low grade marginal operations.

Liked Increasing Reserves

Preference was shown for mines that have been able to show a steady increase in ore reserves. If operations are to be continued at a steady rate, this point must continually be kept in mind, one man stated.

Even when the ore reserve position is maintained or being slightly increased, a gold mine may not represent a good investment, one contestant declared. If operations must be rushed to depth to maintain the ore supply, exhaustion of ore resources may take place in a relatively short space of time. Mines such as Hollinger and McIntyre, for instance, carry out shaft sinking only at great intervals as development of old levels continues to reveal needed ore.

Structure Key to Depth Results

Results at depth are often the keynote to a mine's future. In this regard, length of the ore-bearing structure was stated to be of great importance. Although there are many exceptions, the tendency seems to be that a structure extends down about as far as its length. The length of the Kirkland Lake break, for instance, would suggest that ore values will extend to very great depths. In Porcupine area, ore has been found over a large area and is known to go to great depth.

Where a mine is operating on some localized condition and not on a main structure, it is held not surprising if values do not extend to depth. Where major movement of the earth has taken place, it is much more likely that widespread intrusion of the rich mineral-bearing solutions will be found.

Many people are interested in mine stocks for market appreciation rather than for a long-term income investment. Both the trader for capital appreciation and the long-term investor, however, must be prepared to evaluate ore possibilities. More and more speculators will only buy into stocks in which they consider long-term possibilities are good

Reckoning Reserves

While the requirements for an ore body were enumerated, no contestant indicated how to calculate tonnage, given ore dimensions. For gold ore, it usually takes 12 cubic feet to make a ton while only 10 cubic feet of copper ore are needed to give the same weight. Lead ore runs heavier and usually takes only 6 cubic feet to make a ton.

What is the proper size of mill for a mine? Usual practice is to have between two or three years ore ahead of the mill for gold mines treating a medium grade of ore or perhaps five or six if a lower grade is being treated. If a mill is to be erected on the basis of three years' ore reserves, a rough idea of daily capacity in tons can be secured by dividing ore reserves by 1,000. This gives an answer just slightly too high as the divisor for a correct answer would be 1,095—three times 365. For practical purposes in estimating potential mill capacity, possible size of a mill increase or the number of years ore still available for milling, it provides a simple mental arithmetic answer.

Experience has shown that when a valuable ore deposit has been proven, it is not usually difficult to secure the money for the erection of a mill—even banks are willing to lend it. Ore indications point to tomorrow's ore reserves—and the eventual dividends for shareholders. The man with the sharp pencil who makes the best estimates of future possibilities is the man who has the best chance of being a successful mining investor. At least so contestants seem to think.

"Buying Ore"

Here Are a Few Quotations From Contest Entrants on How to Judge a Mine's Ore Position—And How Important it is That You Do Before You Stake Your Dollars

"'Buy Ore' is now my slogan and for this reason I would select a mine with a large tonnage of medium or even low-grade ore, in preference to one with a rich narrow vein, the mill of which uses two or more levels per year and which may pinch out at any time, leaving you holding the bag. Also avoid spotty high-grade ore and short shoots unless used as sweeteners to a large nearby ore body. With several levels of this large ore body well proved and several more levels diamond drilled, with satisfactory results, the future mine will probably give a good account of itself."

* * *

"The most important thing for an investor in mining securities to remember is that the physical position of a mine changes. A mining security is the last about which to say 'I'll put it away and forget it.'"

* * *

"Some mines report only actual ore that has been broken; others report only ore that has been blocked off by drifting and raising; others estimate probable ore to stated depths. These factors must be carefully weighed when estimating the probable life of a mine.

"Recognition must be given to the fact that ore formations in the Precambrian rocks of Canada are deep-seated. In some of the older mines continuity of the ore has been proved to depths of more than 6,000 ft. and there are good possibilities that mining operations will be conducted to depths of more than 10,000 ft. Unexpected length, depth or richness of ore deposits may suddenly completely change the status of a mine and make its stock a dynamic market leader overnight."

* * *

"Ore reserves make or break a mine. As they are the lifeblood of the mine they must be given the very closest attention. Mines should be continually proving up new reserves if they are to continue in operation."

* * *

"Ore is the most necessary requirement of any mining enterprise and future profits are dependent on the development of a substantial body of profitable grade ore. The difference between the recovery per ton of ore mined and the cost of mining and milling per ton of ore, represents the current ratio of profit. Size of the ore body determines the ultimate life of the operation.

* * *

"Raw prospects make the individual fortune if the choice is right. However, the odds are too great to justify commitments, excepting with 'surplus' funds you can afford to lose. Mines must show fairly definite indications of commercial ore to reasonable depth before they fall into the 'investment' category."

* * *

"The investor in the mining industry should regard himself as purchasing a share of large inventories of materials needed in the world today, materials which require to be extracted, finished, and converted into cash. The existence of part of the inventory is certain, part reasonably certain, part probable and part purely prospective. The investor is purchasing the present value of the profits to be made over a term of years out of converting these materials, at a cost, into cash."

* * *

"It is ore bodies that make mines. To invest in a mine without having a complete picture of the ore bodies as revealed by development to date is to take a plunge in the dark. A combination of grade and dimensions determines the commercial value of an ore deposit. It costs less to extract ore from a wide ore body than from a narrow one. Therefore it is quite profitable to mine a low grade of ore provided the low grade material exists in fairly wide veins.

* * *

"In round figures an ore body 4 ft. in width requires a grade of around $8 a ton to make it a profitable operation, while ore of $4 grade can quite frequently be profitably mined from an ore body about 8 ft. wide. A length of about 75 ft. is sufficient for a profitable operation if the ore is high grade, while twice that length is necessary to provide a profitable operation when ore is low grade."

Consol. Nicola Settles Debt

Deal With New York Interests Reported Under Negotiation

From Our Own Correspondent

VANCOUVER.—Directors who advanced more than $80,000 to Consolidated Nicola Goldfields Ltd. to permit continued operations last year have agreed to accept in complete settlement stock in the company at a price to be fixed by the superintendent of brokers of British Columbia.

There will be no commissions, bonus or advantage of any kind. An arrangement may be made with New York capitalists for continued financing.

Hon. H. H. Stevens has succeeded Matthew Sutton as president of Consolidated Nicola. Dr. G. A. Sutherland is first vice-president; Ralph D. Brown, second vice-president; Chas. J. White, secretary; Jerome Drumheller, Nels Nelson and Dr. J. J. Gillis directors.

If the New York deal is completed, $150,000 will be available from that source to finance mill and mine expansion, repayable out of production at the rate of $3 per ton of concentrates shipped. The financing company would have complete control of the mill's output for five years.

Sladen Malartic Profit Off in Last Quarter

A decrease in operating profit from $47,787 to $27,910 is reported by Sladen Malartic Gold Mines for the first quarter of 1941 compared with the last quarter of 1940. Production for the first quarter was slightly lower at $204,085 from 63,656 tons of ore, against $217,759 from 63,623 tons of ore the December quarter last year.

Drifting east is being carried on at the 950-ft. level to explore downward extension of the telluride ore body. It will be possible economically to explore the downward continuation of the National Malartic orebody at that level and greater depths.

War Quickens Bralorne Work

Accelerated Development Places Mine Far in Advance of Ore Needs

From Our Own Correspondent

Vancouver.—During the past year Bralorne Mines has pushed development work underground faster than would otherwise be warranted because of the threat of higher costs, President Austin Taylor told shareholders at the annual meeting here.

Shaft sinking and other underground work done last year was far in advance of immediate requirements, he said. Whether this development will be continued during the present year will depend on events. In the meantime, the mine has been placed in an advantageous position, said Mr. Taylor.

Depth Development Encourages

Diamond drilling and development on the 20th or bottom level continues encouraging, he added, and a great deal of exploration in that area remains to be done. He said there are some "nice bodies of ore" on the 4th level.

Some stoping is now being done on the old Lorne property, known as the King mine, but so far on a comparatively small scale. The King mine will later be explored at depth by extension of a lower level from the Empire mine.

It was announced that all major equipment has been purchased for the 25-ton mill to be erected by Bralorne on its Buccaneer property in the Bedwell River area, Vancouver Island. Mill construction will be started by the middle of this month and the plant will be ready for operation about the middle of July.

This will be the second subsidiary mine to be operated by Bralorne, the other being Summit King in Nevada.

Shaft Going Down At Chesterville

From Our Own Correspondent

LARDER LAKE.—Shaft sinking is well under way at Chesterville Gold Mining Co. with the station cut at 675 ft. depth for the first of the new levels. Other stations are to be cut at 800, 925 and 1,050 ft. depth.

Plans call for commencement of lateral exploration on new levels at 675 and 800 ft. depth next month, while sinking is being continued to open up the remaining levels. On completion of shaft sinking about next September, more extensive development at depth will be possible.

Depth Chances Intriguing

Developments at the 1,000 and 1,300-ft. horizons of Kerr-Addison Gold Mines are of importance to depth possibilities of Chesterville. Kerr-Addison has worked close to the boundary on the 1,000-ft. level with drilling showing important ore 25 ft. from the boundary in Kerr-Addison No. 17 ore body. One drill hole shows 43 ft. running 0.3188 oz. uncut or 0.2536 oz cut from south to north and farther north 35 ft. of 0.1176 oz. grade and 25 ft. of 0.1 oz. grade. These are stated to indicate the downward extension of the Chesterville C and D ore bodies

Crosscut at Bottom Level

As work is advanced on the lower levels it is anticipated that consideration will be given to an exploratory crosscut on the bottom level to the northeast on strike for exploring the large Chesterville acreage in that direction.

Production of $119,814 was obtained from Mar. 16 to April 15 from milling of 21,918 tons of ore. This gave an average recovery of $5.47 per ton. From Feb. 1 to Mar. 15, $163,062 had been recovered from 27,049 tons, an average of $6.04 a ton. Operating profit was $54,572 from Mar. 16 to April 15 and $70,189 in the period before.

Mining Company Reports

Foothills Oil

Net profit of $33,963 or two cents a share was realized by Foothills Oil and Gas Co. in 1940 against a $9,219 loss in 1939.

Balance sheet as at Dec. 31, 1940, shows excess of current liabilities over current assets of $19,678. Advances by Imperial Oil and Royalite totalled $801,978.

Income and Surplus Account
Years Ended Dec. 31

	1940	1939
	$	$
Operat. earns.	83,126	436
Subsid. adjust.	12,021	†6,112
Less: Sals. & fees	1,344	1,559
Depletion	12,717	......
Deprec., etc.	33,104	1,984
Taxes	14,019	......
Net profit	33,963	*9,219
Less: Prev. deficit	15,373	6,154
Surplus forward	18,590	*15,373

*Deficit. †Deduction.

Earnings per Share and Dividend Record:

	1940	1939
Earned	$0.02	nil
None paid.		
No. of Shs. Outstand.	1,462,005	1,462,005

Working Capital

	1940	1939
Current assets	2,052	719
Current liabilities	21,730	......
Working capital	*19,678	719

*Excess of current liabilities over current assets.

McVittie-Graham

Net profit of $20,626 was realized by McVittie-Graham Mines in 1940 compared with $23,120 in 1939. Taking securities at market value, working capital amounted to $164,284 at Dec. 31, 1940, compared with $173,528 a year before.

Investments include 430,360 shares of Conwest Exploration Co. carried at $81,801.

Income and Surplus Account
Years Ended Dec. 31

	1940	1939
	$	$
Int. & divds.	7,390	5,843
Profit on invests.	17,758	22,280
	25,148	28,123
Less: Gen. exps.	4,522	4,917
Interest, etc.	......	86
Net profit	20,626	23,120
Less: Prev. deficit	1,912,983	1,936,103
Deficit forward	1,892,357	1,912,983
No. of Shs. Outstand.	3,500,000	3,500,000

Working Capital

	1940	1939
Current assets	*213,329	†189,546
Current liabilities	......	200
Working capital	213,329	189,346

*Including $149,835 of securities with $100,790 market value.
†Including $153,125 of securities with $137,307 market value.

Prospectors Airways

Although 90 properties were offered company and seven of these were examined by company engineers, no options were taken by Prospectors Airways last year. Some diamond drilling was done on claims held in Senneville twp. adjoining Perron Gold Mines but no results of importance were obtained.

Through a joint scouting arrangement the company participated in financing Amphi Gold Properties, Woco Gold Developments and Laguerre Gold Mines. A share continued to be taken in financing Musketeer Mines and Pascalis Gold Mines.

A profit of $15,419 equal to 2 cents a share was realized last year against a $21,585 loss in 1939.

Income and Surplus Account
Years Ended Dec. 31

	1940	1939
	$	$
Dividends received	24,710	31,323
Consult. fees	10,072	11,582
Serv. sub. oper.	......	1,962
Less: Explor. & prosp.	3,555	26,059
Wages, base exp., etc.	......	7,078
Admin. & gen. exp.	2,648	3,614
Salaries	19,967	25,943
Int. & exch. (net)	161	791
Taxes	1,014	1,102
Insurance	102	......
Depreciation	894	394
Cls. written off	......	1,159
Operat. profit	6,441	*21,273
Add: Profit on shares	8,978	*68
Less: Shares w/o	......	250
Net profit	15,419	*21,585
Less: Prev. deficit	71,927	55,132
Add: Profit on equip.	......	4,790
Deficit forward	56,508	71,927

*Loss.

Earnings per Share and Dividend Record:

	1940	1939
Earned	$0.02	d$0.03
None paid.		
d—Deficit.		
No. of Shs. Outstand.	760,000	760,000

Working Capital

	1940	1939
Current assets	224,720	201,498
Current liabilities	20,920	4,795
Working capital	203,800	196,703

Southwest Pete.

Net profit of $43,565 or 6 cents a share was realized by Southwest Petroleum Co. in 1940 against a $9,743 loss in 1939.

Balance sheet Dec. 31,1940, showed an excess of current liabilities over current assets amounting to $24,943 against $604 working capital a year previously. Advances from Northwest Co. and Foothills Oil and Gas Co. totalled $372,141.

Income and Surplus Account
Years Ended Dec. 31

	1940	1939
	$	$
Oper. profit	151,937	*7,549
Less: Sals. & fees	1,860	924
Depletion	25,657	......
Depreciation	52,221	1,270
Taxes	28,634	......
Net profit	43,565	*9,743
Less: Prev. deficit	251,475	241,732
Deficit forward	207,910	251,475

*Deficit.

Earnings per Share and Dividend Record:

	1940	1939
Earned	$0.06	nil
None paid.		
No. of Shs. Outstand.	750,006	750,006

Working Capital

	1940	1939
Current assets	4,910	604
Current liabilities	29,853	......
Excess of curr. liabs. over curr. assets	24,943	*604

*Working capital.

Davies Pete. Receives No. 4 Well Revenue

With all the preference repaid on net preferred royalty units, Davies Petroleums will now participate in production from the company's No. 4 well, shareholders were told at the annual meeting. Within the next 60 days the company will be entirely without liabilities, it was also stated.

Leonard Phillips of Calgary is president and managing director, F. T. Brooks of Hamilton is vice-president, and E. F. Lowick of Calgary is secretary-treasurer, following the meeting. Other directors elected were F. H. Whitney, Calgary, and G. H. Young, Vancouver.

Eldorado Anticipates Capacity Refining

Orders for over half a million dollars of radium from the British and United States Governments together with steadily increased demand from purchasers in recent months are expected to result in capacity operations of the refinery of Eldorado Gold Mines for the balance of 1941, shareholders were told by Gilbert A. Labine, president, at the annual meeting.

Research work on mine recoveries was continuing at the refinery and Ottawa in anticipation of the reopening of the mine, he said.

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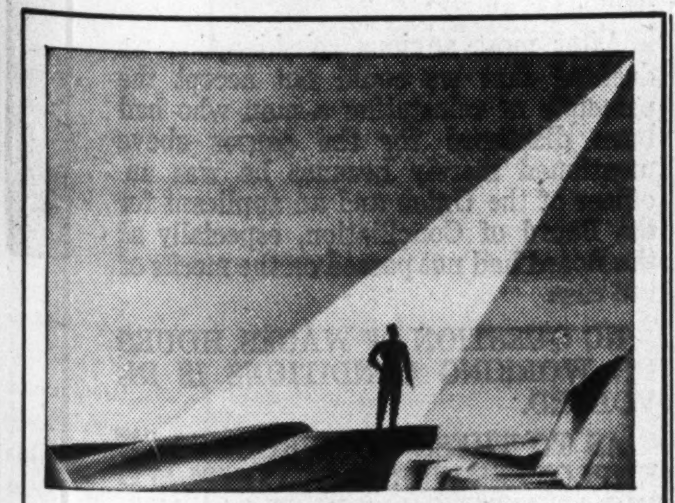

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"Making" War Workers — VIII

'Three-way Stretch' Training

Diverse Needs for Workers Met by Blend of Systems

This is the eighth of a series of articles on how Canada's factories and plants in allied industries have met the intensified demand for skilled and partly skilled workers, largely through their own training systems. The combined use of several different systems of employee training is illustrated by a report on the three-way plan of the Aluminum Co. of Canada.

By GUY S. CUNLIFFE
Staff Writer, The Financial Post

A streamlined blend of old and new systems of worker training has been evolved by some of Canada's largest industrial concerns. This has been their emergency weapon to meet the war-swelled demand for qualified workers.

The combination has proved efficient for companies faced with a need for quick-trained, partly skilled recruits for the rank and file jobs, at the same time as a sharply increased call for highly skilled craftsmen and keymen.

Generally speaking the method of dealing with the more difficult problem of creating topflight skills has been to speed up regular, long-term training plans with related employee instruction, and to broaden their scope and enrolment where possible. Integrated with these stepped up basic systems—though in some cases as parallel separate plans—have been the schemes adopted for fast, intensive training of men with low or moderate skill.

Systems Linked

These two different systems can be effectively linked together in a comprehensive, coherent plan for meeting the varied needs of plans for "making" new war workers. They cannot, of course, be entirely united because they serve distinctly peculiar requirements, and neither system can be adapted to any great extent to achieve the aims of the other.

You can reduce the net period of apprenticeship from a normal four or five years to three or three and a half years, and possibly by intensive work drill in the fundamentals of special types of skill in a year or so.

But it is very difficult to adapt the detailed, progressive nature of the long-term plan to turning out hundreds or thousands of machine operators, bench helpers and other partly skilled workers, needed as the main body of troops for Canada's labor army.

This is being realized with increasing clearness by Canadian employers generally, and particularly by those operating war plants or units in allied industry. They have found it possible to depend on emergency pre-training and plant upgrading for the bulk of new production workers. But the skilled men shortage which rapidly became acute last year has forced them to spread their keymen and supervisors pretty thin through their operations as a whole.

Lack of Training

An expert authority of the U.S. Department of Labor calculated recently that the number of apprentices now in training for the skilled trades in that country could not be set, by the "most sanguine estimates," at more than 125,000. Yet his survey indicated that one quarter to one third of all productive workers needed for the U.S. defense programme will have to be all-round fully-skilled mechanics. This means that the total under apprenticeship in the next few years should be stepped up to 500,000 at least, he estimated.

Appraising Canada's need on a similar basis, but allowing for our smaller population and industrial development, there should be at least 12,500 enrolled apprentices (in the full sense of the word) being trained under normal circumstances in the mechanical and manual trades. If Canada had foreseen and planned for its present war need, on the same basis as the U.S. authority feels that country should plan for its defense programme, there would have been 35,000 skilled trainees available for war industries and other industries vital to our economic welfare.

Negligible Scope Here

Actually, Canadian authorities close to the problem do not believe there are more than 2,500 young Canadians apprenticed under sound and comprehensive plans in the mechanical trades. This excludes those being trained only for single operations on one machine or type of machine, and those being given training that is incomplete in either shop practice requirements or related instruction—or both.

Experts agree that men taught to perform only one or two machine operations or other work of limited skill, whether in so-called apprentice courses or by trial-and-error training in production, may become competent at their particular jobs. But with rare exceptions they remain in the low or semi-skilled category.

And while large numbers of low-skilled men are required for volume production on a fast emergency basis, the training of such men and working them into production is costly. Speed, volume and efficiency of output can be better and more economically attained, it is contended, by using as heavy a proportion as possible of all-round, well skilled men.

Aluminum Co. Plans.

Notable among the relatively few big concerns that have come to realize the force of these considerations, and have acted to apply them in the solution of their own problems, is the Aluminum Co. of Canada. Of the three main systems it is now using to meet its long-term and war emergency needs of employee training, the apprentice plan of shop training and supplementary instruction in operation in the huge plant at Arvida, Que., is the basic permanent core.

The three methods being followed by the Aluminum Co. to meet the chief requirements of its operations may be summarized as follows:

1. **Diversified factory** courses which pass graduate engineers through the company's various types of operation, and different plants and departments, to develop fully versed keymen as plant engineers and production supervisors.

2. **Apprenticeship** training of shop work with related instruction at Arvida, which is being taken by a large number of workers despite its purely voluntary basis. This combines shop demonstration and trial work, voluntary work as helpers in various departments, and class room work and home study provided in collaboration with a private educational institution of recognized standing.

3. **Quick emergency training,** which had to be developed from scratch to mobilize hundreds of partly skilled production workers for the big new fabricating plant at Kingston. This was an especially difficult programme to organize and carry out successfully. Aluminum fabrication in Canada was relatively negligible before the war, there were few skilled workers to draw on, and there was a limited supply in the Kingston area of recruits with pre-training in fundamentals of machine operation.

Engineers Selected

Under the first system, new men are carefully selected from engineer graduates of universities, and given a thorough programme of study and practical experience in various plants and departments. The complete courses cover not only the Arvida plant where raw aluminum is smelted from bauxite, but also the Saguenay power developments of the company and the aluminum fabricating operations. In some cases, of course, men destined to be specialists in certain types of operation or departments are put through less comprehensive programmes.

Before the war engineers were given as much as a year's training work in each plant to develop them as plant engineers, and for key posts as unit or section supervisors. This was a long term programme aimed at giving each man a thorough course of development. Since the war, this plan has had to be sharply speeded up and curtailed in scope. New men are now put right into jobs and trained as they work, perhaps getting only a couple of weeks training in different plants.

Apprentice Plan

The apprentice training plan has also been speeded up. Started on a five-year basis, the first graduates were originally scheduled to complete their courses next fall. But condensed and intensified work has reduced the term to about four years, and the company has already had the benefit of additional skilled men in its own plants to draw on for keymen. The programme includes training as machinists, welders, riggers, millwrights and plant maintenance men.

The classroom work is carried on at night in the apprentices' own time, with teachers drawn from among the company's own employees. Some of them are former school teachers, one having come to Arvida from an exclusive boys' school in New York State.

Kingston System

In developing the Kingston project for making aircraft and other war aluminum needs, the Aluminum Co. had to build not only the plant but the necessary working force from the ground up. Before the war, the output of the big Arvida smelting plant went chiefly into export channels, aluminum fabrication in Canada being confined chiefly to aluminum cable and household pots, pans, etc. Except for a small nucleus of skilled men and work instructors from the company's Toronto fabricating plant, there was no source in Canada of even partly trained workers for the Kingston enterprise.

With the assistance of U.S. experts, the nucleus of skilled men was trained not only in production methods and principles, but also in how to teach the large number of rank and file workers required for the new plant.

There are now 750 new workers in the Kingston plant, and another 750 will be employed next month in the new tubing and forging plant. Virtually all of these have been recruited in the Kingston district, some of them entirely unskilled men from the surrounding farm areas. While some of the recruits had technical school pre-training, few had had any industrial experience whatever and had to be trained as they were worked into production. A slightly different plan is being used for training of the new men in the tubing and forging plant, but it is basically similar in approach to that used in developing the staff for the original unit of the Kingston plant.

Further Growth For Loblaw's

Expansion of Loblaw Groceterias Co. Ltd. is continuing with floor space being enlarged in stores at Barrie, Midland and Ottawa, according to Charles B. Shields, vice-president and general manager. Two large new units will shortly replace existing stores in Toronto, and two or three other stores are proposed elsewhere in Ontario. There are now 113 stores in operation.

Figures for the fiscal year ending May 31 will show a marked increase in sales volume. Earnings are held satisfactory by the management, no estimate of net profits being currently available. In the year ended June 1, 1940, earnings on the class "A" and "B" stock amounted to $1.64 per share, against dividends of $1.25, same rate of disbursement has applied in the 1941 fiscal year.

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To Shareholders of

NATIONAL STEEL CAR CORPORATION LIMITED

The Course Taken by Your Management to Protect the Hamilton Plant Against C. I. O. Activities

You will shortly receive a more detailed report on the proceedings which have led up to the appointment by the Government of a Controller of our Hamilton Plant, which was first announced by the Counsel for a C.I.O. affiliate, the S.W.O.C. Union last night.

Until it became certain that the Government would yield to the threat of the C.I.O.-S.W.O.C. to call strikes in other parts of the country, we had refrained from any publicity, but having received official notice of the appointment of their Controller by the Government we think you are entitled to a short immediate statement of the position.

Our plant at Hamilton had been brought to a very high stage of production of shells for the British Government when about last December the C.I.O.-S.W.O.C. began its attack on our organization.

Alleged Complaints Without Foundation

There had been no complaint as to wages, hours or working conditions from our production employees, nor from either the Department of Labour or the Department of Munitions and Supply, both of whom had, in accordance with their practice, investigated such matters in our plant and found them very satisfactory.

On 2nd February, 1941, the C.I.O.-S.W.O.C. made application for a Board of Conciliation claiming to act on behalf of certain maintenance men and carpenters. The whole of this group were less than 3 per cent. of our total employees. How many of them were C.I.O.-S.W.O.C. members we do not know. The Minister of Labour established the Board on the 25th March, 1941, and evidently encouraged by the attitude of the Department the C.I.O.-S.W.O.C. subsequently claimed to represent other groups in our Plant, the total still comprising less than 20 per cent. of our employees.

The Board Disregards Minister's Instructions

The Minister instructed the Board to deal with alleged unjustifiable dismissals and to make an interim report on that part of the complaint, and not to deal with wages or hours.

After deciding to "defer any final decision with respect to cases of alleged wrongful dismissal or discrimination" the Board, solely on the ground that one Tanner was President of the Local Union and an applicant for the Board, recommended his immediate reinstatement though he had been dismissed for non-attendance during working hours and for late arrival, and though we found that he had been leaving his work and sleeping in other parts of the plant, and had been convicted on May 27th, 1935, at the General Sessions in Hamilton on an information charging that he had by false representations obtained certain money from the Relief Department of the City of Hamilton.

A Recommendation Destructive of Plant Discipline

As the Board of Conciliation had not decided on the merits of his case and as it appeared that to reinstate him would be resented by the great body of our highly competent production and supervisory staff, we decided not to do so.

The C.I.O.-S.W.O.C. threatened the Government with strikes in other War Industry plants if the Government did not compel us to reinstate Tanner. They have also indicated that this was merely the first step in their campaign not only against us, but against industry generally.

The Strike Foredoomed to Failure

The C.I.O.-S.W.O.C. claimed to have secured the votes of 200 out of over 2,500 employees in favour of a strike and on the strength of this called a strike at our Plant on the 27th April.

Many of our Production Staff did not cease work at all. We had definite information from our men that 80 to 90 per cent. of those who remained at home were not on strike, but at first preferred to avoid the unpleasantness that might be involved in going through the picket-line.

Within 32 hours a sufficient number of our regular employees had returned to enable several important departments to run at substantially full production. Thereafter, additional employees continued to come in hourly, by day and night. Your Management had every confidence, as a result of telephone and personal calls upon absentee employees, that within four days of the start of the strike all departments would be fully manned, and the plant back into full production.

Notwithstanding this the Government apparently yielded to the threats of the C.I.O.-S.W.O.C., and by telephone advised the Company that they would appoint a Controller unless we should reinstate Tanner within two and one-half hours.

After most anxious consideration we decided that we could not accept the principle of reinstating a man who had been dismissed for the causes above mentioned merely because he was an officer of the Union and an applicant for the Board of Conciliation, especially as the Board had not passed on the merits of the case.

NO QUESTION OF WAGES, HOURS OR WORKING CONDITIONS IS INVOLVED.

AS TO THESE OUR PRODUCTION EMPLOYEES WERE NOT COMPLAINING AND THEY HAD BEEN FAVOURABLY REPORTED ON BOTH BY THE DEPARTMENT OF LABOUR AND BY THE DEPARTMENT OF MUNITIONS AND SUPPLY.

By its precipitate intervention when production was rapidly getting back to normal through the voluntary return of our regular employees, the Government saved the C.I.O.-S.W.O.C. from the consequences of their defeat and thus gave them practical encouragement which can only be detrimental to Canada's war effort.

The National Steel Car Corporation, believing that it has been singled out as a test case, feels that the position it has taken has been necessary and justified in the interest of Canada.

NATIONAL STEEL CAR CORPORATION LIMITED

R. J. MAGOR,
President

Hamilton, April 30th, 1941.